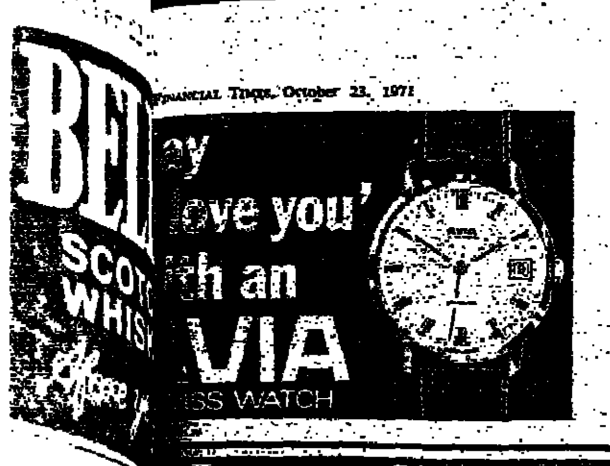
Financial Times October 23, 1971



FINANCIAL TIMES

No. 25,586 Saturday October 23 1971 ** 6p

News Summary

GENERAL

Glasgow toll climbs to 20

...toll in the Glasgow shops explosion rose to 20 yesterday with the finding of seven bodies. One of them—that ...woman—was found half... after the last of those ...missing was accounted...

...said the search would ...all through the night ...if necessary. Eighteen ...of gas pipe was taken away ...examination.

...Hector Monro, Under-...ary, Scottish Office, said ...ficial inquiry was to be set ...in addition, the Scottish ...Board would undertake an ...inquiry of its own. ...disaster fund set up for the ...relatives stood at £600.

...gas leak reported at ...1½ miles from Thursday's ...area, was being investiga... night.

...ots in Derry; ...mbs in Belfast

...soldiers were shot and ...d in Londonderry, while in ...disposal experts tried to ...tle another bomb—this ...containing 50-100 lbs of ...te—placed by gunmen in ...uropa Hotel. Three women ...injured in an explosion ...he city centre and a furni-...ore was also bombed.

...ther bomb, 50 lbs of ...ite in a milk churn beside ...approved border road, was ...tled without incident. ...while, 12 more suspected ...ists were rounded up.

...6m. on bill

...ry operations in Ulster will ...n estimated £11.6m. extra ...current financial year, the ...ons was told.

...ia 'calling reservists'

...is calling up Army reser-...estimated at 600,000—be-... of the border situation ...Pakistan, Press Trust of ...reported. Mobilisation of ...was also reported in Pun-... State, bordering West ...n.

...while, Soviety Deputy ...n Minister Nikolai ...n arrived in New Delhi ...sultations.

...ping it clean

...European nations, includ-...ritain, approved a draft ...ent to ban the dumping of ...ial waste in the North ... The measure was ...at the end of a four-day ...nce in Oslo organised by ...rwegian Government.

...so wise

...rth's, acting on a British ...Council complaint, with-...from sale a Christmas ...printed in Romania, ...showed comedians Eric ...mbe and Ernie Wise play-...fool with fireworks. Eric ...e picture was taken 10 ...o in a studio for a sketch ..."fireworks" were props. ...not asked for permis-...publish the picture and ...ot have given it.

...uffs, please

...been, a non-smoker, is ...sked by ASH—Action on ...and Health—to with-...r Royal Warrant from ...and Hedges and Dunhill. ...were granted by King ...VI.

...land the wet

...nd flooding swept Scot-...west coast, parts of which ...ir wettest days for years. ...ness, Argyllshire, 6.38 ...of rain fell in 24 hours.

...fly

...man was missing, feared ...nd four others were ...hospital as 200 firemen ...appliances fought a tex-... blaze at Ashton-under-...ne.

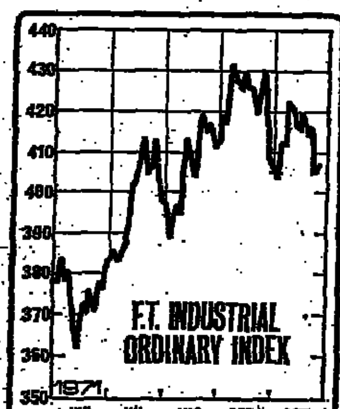
...Government, fearing ...rations, asked MP ...well and Pretoria's Fin-...ister to stay away from ...r on the island this ...

...es: Heathrow airport ...were trying to find out ...students evaded security ...and boarded a New ...Boeing to "see off" ...

BUSINESS

Hawker aids 2.7 rise in index

● EQUITIES' index, after lagging yesterday, ended 2.7 up at 407.4 of which 2.1 was due to a 35p rise to 260p in Hawker Siddeley on the profit forecast. The final figure was 7.2 down on



the week and 5½ per cent. below its 1971 high. The day's 12,209 markings made 65,430 for the week, the highest for three months. Gilts had minor losses. Page 14

● THE £ touched $2.4939½ and ended a net 2½ points firmer at $2.4926; the dollar hardened in terms of Continental currencies. Gold fell 5c to $42.50.

● TREASURY BILL rate fell £0.0380 further to £4.5723 pc.

● WALL STREET'S index, at one time 4½ up, ended 2.48 down at 852.37.

● HAWKER SIDDELEY GROUP raises its interim to 6 per cent. (5)—which is not to imply a bigger final—and forecasts the year's profit at £12m. after tax against £8.1m. Liquidity has improved. Page 17; Lex

● HINT THAT PENSIONS and other social security payments might be raised by mid-1973 has been given by Sir Keith Joseph, Social Services Minister—though not a commitment. By then, it is expected, the impact of higher prices from Britain's prospective Common Market entry might begin to be felt. Back Page

Union bar on BR repairs

● BRITISH RAIL REPAIR work going to private-enterprise companies is to be "blacked" by the rail unions to try to prevent redundancies among their workshop members. The unions want a meeting with Mr. Peter Walker, Environment Secretary, to urge funds for a British Rail wagon building programme. Back Page

● BSA SHOP STEWARDS at the Birmingham motor cycle factory have set up two committees to manage the planned work-in. In London Sir John Eden told union chiefs he would seek early talks with the BSA management on the redundancies. Page 15

● HOSPITAL WORKERS are the latest in the public sector to encounter the 7 per cent. wage offer pattern. Their leaders have rejected it, saying that if the offer was not improved in next month's talks the choice would be between arbitration or some form of militant action. Back Page

● LONGER OPENING HOURS at the discretion of the individual publican, are among suggestions by the Brewers' Society to the Erroll Committee on licensing. Back Page

● DUNLOP JOINS THE OIL search in the North Sea with formation of a subsidiary, which is part of a consortium of U.K. and U.S. companies applying for Government licences. Page 13

● U.S. ECONOMIC GROWTH rate slowed in the third quarter. The GNP's (annual rate) rise was 3½ per cent. against 4.8 in the second and 7.8 in the first quarter. Main cause lay in slack demand for steel.

Left Wing to step up campaign against Jenkins

BY JOHN BOURNE, LOBBY EDITOR

The Left-wing campaign against Mr. Roy Jenkins and other leading Labour pro-Marketeers is expected to escalate sharply this week-end at rallies in London, Sheffield and the North-West. The main rally, conducted by anti-Market organisations, will be in Trafalgar Square to-morrow.

Tribune, the Left-wing weekly, has laid down the line in a leading article: "Every Labour Party supporter, every trade unionist will be watching the Labour MPs next Thursday," it says.

"For after the events of this week it is clear that the Tory Government could be defeated and driven from office if every Labour MP records his or her vote against the Tory terms of entry to the Common Market . . . With more Tory MPs freed to vote against their Government (by the free vote), the Labour Marketeers now hold the Government's life in their hands."

Effect

Mr. John Gollan, general secretary of the Communist Party, has also called for "overwhelming pressure," in the first place in the constituencies of pro-Market MPs "but also throughout Britain," to make them vote against entry.

Mr. Jenkins and his colleagues have expected this campaign, and recognise that between now and Thursday some pro-Marketeers will weaken. But they are confident that a large number of Labour MPs will vote for entry and that there will also be a large batch of abstentions—which combined should be enough to give the Government a substantial majority.

Another effect of the campaign will be to reinforce the pressure of Left-wing MPs at Westminster on Mr. Jenkins, and the 16 other "shadow" Ministers who are determined to vote for entry, to resign from their positions on the Labour front bench. So far the bulk of Labour MPs believe that Mr. Jenkins and his colleagues are doing the sensible thing by adopting a low profile approach and not resigning. Leading Labour pro-Marketeers held another private meeting yesterday and more discussions are expected next week.

As reported in yesterday's Financial Times at least one senior pro-Marketeer believes that Mr. Jenkins and his four colleagues on the "shadow" Cabinet should resign before the Commons vote. Last night I was told that the situation was still "very fluid" and it was impossible at present to say what the outcome would be.

Labour pro-Marketeers in the Lords appear to have settled their problems. Lord Shackleton, leader of the Labour peers, will be voting for entry on Thursday and does not intend to resign. His post comes up for election on November 4, and he intends to stand.

Although there have been rumblings from some anti-Market peers that they may put up a candidate against him, he is certain to be re-elected because, unlike the party in the Commons, the party in the Lords is 2—1 in favour of entry and has agreed to a free vote on Thursday.

The Government is confident that less than 50 peers from all sides of the House will vote against entry.

Three MPs—two Conservatives and one Labour—gave their views on the Labour Party last night.

Sir Tufton Beamish said: "Labour Members are expected to put party unity above the national interest. Those who refuse to be bludgeoned into voting against their principles will command the admiration of the whole nation and show the world they are capable at this historic moment of rising above party differences and expressing the genuine will of Parliament."

Somersaults

Mr. Enoch Powell said: "Through the almost incredible somersaults and contradictions and embarrassments of its leader, it is the Labour Opposition—in spite of its divisions—which has assumed the role of ensuring that the preponderant voice of the people is heard and listened to."

Mrs. Renee Short, a member of Labour's national executive, said: "Constituency parties are now seeking interviews with their pro-Market Labour Members and they are demanding that they support the people of Britain who are opposed to entry. There must be the maximum vote in the Labour lobby."

Common Market debate Page 9

S. Times warns: jobs at risk

By Alex Hendry, Labour Reporter

THE MANAGEMENT of the Sunday Times warned all employees yesterday that their livelihoods were at risk because of the disruption being caused by some printworkers protesting against the closure of a company garage.

A spokesman for the company said last night that it was not certain that the paper would appear this week-end, but if it did it would be reduced to a maximum of 40 pages.

Last week-end the paper was reduced in size and about 600,000 copies were lost because of the action of members of Natsopa, one of the main printing unions.

Rejected

The dispute is over the decision of the company to close a garage on a site next to the Sunday Times building in Grays Inn Road. The management says the garage is not economic and is, in any case, on a site scheduled for redevelopment.

It has offered to delay the closure if the union would give an assurance that it would, after further discussions, agree to the garage being shut down. The union has turned down that offer.

About 60 workers are employed at the garage but the protest has been taken up by other Natsopa members working in the main Sunday Times building.

Their action has led to staff who take classified advertisements being locked out of their offices, copy telephoned to the office by journalists not being delivered to the editorial department and advertisement copy not being delivered to the printers.

Throughout yesterday, there were a number of management and chapel (union branch) meetings. But late last night there was no sign of a settlement.

'Grave threat'

Earlier, in a letter to all members of the staff, Mr. M. J. Hussey, managing director of Times Newspapers, said: "The Sunday Times is facing a very grave threat."

He added: "All our livelihoods on the Sunday Times are now at risk and I make an appeal for all staff involved to resume normal working."

He says in the letter that chapel officials had been told of the "grave financial problems of the Sunday Times."

Mr. Richard Briginshaw, general secretary of Natsopa, said in a statement last night that the situation at the paper was the responsibility of the management.

He said that reports from his branch of correspondence with the management showed that conflicting policies had been followed over the past 18 months. The branch contended that "if the garage has become an uneconomic proposition this is the result of managerial abuse in the use of facilities of the garage for their private cars."

Mr. Briginshaw added that he was sure that the executive of the union would support the members when it meets early next month. He said the management should withdraw the closure date of the garage so that "meaningful" negotiations can take place.

Lord Thomson—who is ill with a cold and was keeping in touch with the situation from his home at Fulmer, Bucks—said last night: "I don't want to talk about that just yet. It is not a nice position to be in."

Divided THF Board to study Allied plan

BY SANDY McLACHLAN

THE TRUST HOUSES FORTE Board is still deeply divided, but the two factions have at least reached agreement to explore Allied Breweries' proposal for take-over talks.

It appears that Allied Breweries' approach, made at the beginning of the week, has so far only succeeded in deepening the rift between the two

Sir Charles Forte

factions on the THF Board led respectively by Lord Crowther, the chairman, and Sir Charles Forte, the deputy chairman and managing director.

The extent of the differences became clear at yesterday's Board meeting at THF, when after long discussions it was decided to appoint two merchant banks as financial advisers. Originally Lord Crowther wanted Schröder Wagg, while Sir Charles Forte preferred S. G. Warburg. In a compromise solution the two banks were invited, and have agreed, to act as joint advisers to the company.

This decision was reached late yesterday after a THF Board meeting lasting several hours.

Following the meeting, a letter was despatched to Mr. Joe Thorley, the Allied Breweries chairman, replying to his original approach.

It is understood that further THF Board meetings will take place over the week-end and on Monday.

Forward step

The appointment of bankers represents a step forward, since it means at least that Rothschilds, financial advisers to Allied Breweries, have someone to talk to. But it remains to be seen how successful its negotiations will be, dealing with two banks which, in turn, are reporting to a divided Board.

It is believed that of the two sides on the Board Sir Charles Forte and his supporters are less amenable to the idea of a bid than Lord Crowther, Mr. Michael Pickard, ex-managing director, and their supporters.

THF shares rallied 2p yesterday to close at 164p—below the high of 178p reached in heavy buying on Tuesday, but still representing a gain of 37p since the announcement of Allied Breweries' approach last Monday.

FLOATING £

	£= Oct. 22	% Change since Aug. 13	% Change on par value
U.S. $	2.49½	+3.0	+3.9
Can. $	2.49 7/16	+1.9	−3.9
Dutch Fl.	8.36	−0.1	−3.8
†Belg. frs.	116.45	−3.0	−3.0
D.-Mark	8.31	+1.4	−5.4
It. lire	1 526	+1.6	+1.7
‡French frs.	13.75½	+3.2	+3.2
Jap. yen	821	−5.0	−5.0
Swiss frs.	9.91½	+1.0	+1.2

Reuter revaluation index of the ten key non-dollar currencies against the U.S. $ is 7.3 per cent.

† Convertible. ‡Commercial.

New York close

—	Oct. 22	Previous
New York (Spot)	$2.4925-4927	$2.4924-4927
Do. (1 month)	0.08-0.12prem	Par-0.10prem
Do. (3 months)	0.24-0.27prem	0.20-0.35prem
Do. (12 months)	0.40-0.30 dis	0.40-0.20 dis

ON OTHER PAGES

Receiver for aircraft makers Britten-Norman

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A RECEIVER and manager has been appointed to take over the affairs of Britten-Norman, the Isle of Wight manufacturers of one of this country's most successful post-war civil aeroplanes, the Islander.

The joint managing directors of Britten-Norman, Mr. Desmond Norman and Mr. John Britten, announced this yesterday. The receiver and manager is Mr. M. I. Eckman, of Price Waterhouse, acting on behalf of the major debenture holders in Britten-Norman—the U.K. Government, which is owed around £250,000, and Exporters' Refinance Corporation (which is majority owned by Lloyds Bank), which is owed around £2.8m. The total deficiency at this stage, therefore, is just in excess of £3m.

Britten-Norman is a private company, of which the two biggest shareholders are Mr. Desmond Norman and Mr. John Britten.

At this stage, it is not clear precisely what the future of Britten-Norman will be, although both Mr. Britten and Mr. Norman yesterday expressed the hope that it might become possible to keep Islander production going in some form. Mr. Eckman paid his first visit to the company's factory at Bembridge, Isle of Wight, yesterday afternoon.

Britten-Norman directly employs about 220 at its Bembridge works on Islander production. Another 200 or so are employed at the British Hovercraft Corporation's Cowes works on Islander output under sub-contract, while another 50 or so are employed by C. F. Taylor, at Christchurch, on sub-contract work—a total of around 470.

At this time, the twin-engined Islander light transport aircraft is still in full production, with 320 delivered and orders for another 40 on the books.

The three-engined version, the Trislander, is also in production, with two delivered and another 23 on order. To date, export deliveries for the Islander have amounted to over £10.5m. and there is a substantial continuing business in spares. Orders are still flowing in with no signs of flagging, and production is at the rate of 12 Islanders a month.

Some of the Islanders are manufactured in Romania, from parts flown out from the U.K. The finished aircraft are then flown back to the U.K. for furnishing and painting prior to delivery to customers. This deal is under a five-year contract, which still has several years to run, covering 215 aircraft of which 60 have been delivered.

A military version of the Islander, the Defender, has been built, but has so far won no orders.

A statement by Mr. Britten and Mr. Norman yesterday said that the decision to ask for a receiver was taken following a change in policy at the Exporters' Refinance Corporation, with which, until now, there had been very amicable relations and which had helped finance Islander production and sales

But the ERC, they said, had now called for immediate repayment of moneys lent. The company (Britten-Norman) had been under the impression that ERC's support was of a continuing nature, but recent events having brought about a change of policy on ERC's part, the directors stated they were left with no choice but to request a receiver.

In a move towards replace-

Continued on Back Page

Rise in retail prices slows down

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE OFFICIAL index of retail prices rose by 0.2 points between August 17 and September 21, to stand at 155.5 (January 1962=100), the Department of Employment announced yesterday.

In the 12 months to September, the rise in the cost of living was 9.9 per cent.—the first time the annual comparison has been below 10 per cent. since May, when it was 9.8 per cent. In June, July and August the recorded increases on 12 months earlier were respectively 10.3 per cent., 10.1 per cent. and 10.3 per cent.

Tax cuts

The retail prices index is not seasonally-adjusted and in September the effect of increases in the prices of a number of goods and services was partly offset by seasonal reductions in the prices of tomatoes, other fresh vegetables, and apples.

Another factor acting to contain the rise in the index was the purchase tax reductions announced by the Chancellor in his July mini-Budget. But the National Institute of Economic and Social Research has argued that the effects will come through slowly, as retailers clear old stocks.

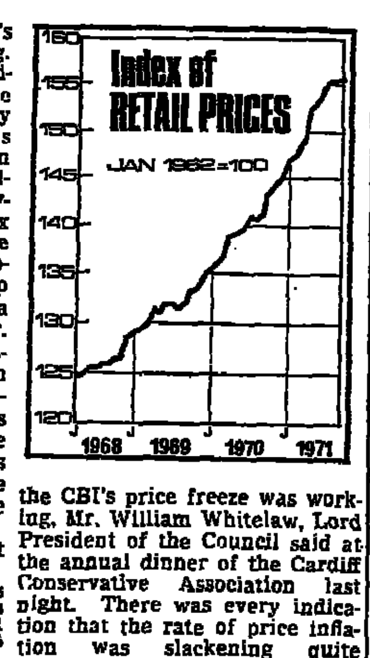
The NIESR calculation is that the effect of the tax reductions on its own consumer price index will have been no more than 0.2 per cent. by the end of the third quarter, rising to 0.4 per cent. by the end of the year and a maximum of something less than ½ per cent.

On Thursday night, the Chancellor, Mr. Barber, claimed that there were signs that the Confederation of British Industry's prices initiative were succeeding.

Although the annual comparisons still show increases of close to 10 per cent., it is certainly true that in the last two months the rise in prices has been smaller than in the corresponding period of 1970. In July-September last year the index rose 0.6 points, and this time the increase was 0.3 points. In September alone the index went up 0.5 per cent. last year and a little over 0.1 per cent. this year.

From next month, the Government is expected to begin regular publication of a seasonally-adjusted prices index. This will give a better guide to the underlying position and it is hoped that it will also ease the pressure on employers in wage bargaining.

There was no doubt at all that



the CBI's price freeze was working, Mr. William Whitelaw, Lord President of the Council said at the annual dinner of the Cardiff Conservative Association last night. There was every indication that the rate of price inflation was slackening quite markedly.

He added: "One swallow does not make a summer and two months of levelling off on the price index does not represent a victory over inflation. But I believe it marks a breakthrough. Now it is up to the unions."

World food prices storm, page 13

PRICE CHANGES

...pence unless otherwise indicated)

RISES:

...ated Inv.	368	+ 14
...n Finance	80	+ 18
...oft	43	+ 7
...Siddeley	260	+ 35
...Williams	73½	+ 7½
...	356	+ 21
...ds	62	+ 6
...n Hotels	128	+ 9
Paterson, Zochonis	425	+ 55
Stigwood (R.)	95	+ 5
Tilling (T.)	130	+ 4
Tokengate Invs.	248	+ 5
Town and Comml.	131	+ 6
Tremletts	150	+ 6
Turner (Ray)	121	+ 7
U.K. Property	230	+ 20
Vavasseur (J. H.)	148	+ 8
Amalgamated Tea	120	+ 10
Consltd. Tea & Land	320	+ 5
Anglo-Ecuadorian	102	+ 6
Charter Cons.	184	+ 4
Northgate Expl.	310	+ 40
Poseidon	620	+ 20
Rio Tinto-Zinc	185	+ 6

FALLS:

Anglo Continental	63½	− 3½
Barclays Bank	532	− 10
Diploma Invests.	170	− 6
English China Clays	86	− 6
Equity and Law	285	− 7
Ever Ready	209	− 6
Fodens	220	− 8
Midland Bank	452	− 12
Slater Walker	287	− 5
Ward (T. W.)	364	− 9
Westinghouse Brake	295	− 5
Shell Transport	340	− 5
Anglo-Vaal	538	− 45
Joburg Cons.	925	− 50
New Broken Hill	330	− 15
W.R.I.T.	535	− 10

U.K. DAILY STOCK INDICES

FINANCIAL TIMES

	Oct. 22	Oct. 21	Yr ago
Govt. Secs.	79.05	79.14	70.98
Fixed Interest	78.99	79.07	71.43
Industrial Ord.	407.4	404.7	352.4
Gold Mines	84.5	88.5	53.6
Ord. Div. Yield	3.85	3.86	4.58
Earnings Yield	6.02	5.93	6.35
P/E Ratio	16.61	16.85	15.74
Dealings Marked	12,209	11,969	9,111

For latest share index phone (01)-245 8026

F.T.-ACTUARIES

	Oct. 22	Oct. 21	Yr ago
Industrial Group	167.57	167.98	—
500 Share	180.97	181.59	147.77
Div. yield pc	3.66	3.65	4.38
P/E Ratio	17.82	17.82	15.04
All Share	177.77	178.59	141.53
Consols Yield pc	8.58	8.58	9.26

ANNUAL STATEMENTS

Bank of New South Wales	19
Merlimau Pegoh	11
Sime Darby Holdings	22

The week in London and New York

Nervous glances across the Atlantic

Wall Street is the new factor in our equity market this week. On Tuesday, the Dow Jones Index temporarily broke down through its 1970-71 uptrend, and the FT Industrial Index—marginally higher after the first two days—followed that with a nervous 2.8 point reaction. Wednesday's further sharp fall on Wall Street was matched on Thursday by a 7.7 point drop in the FT Industrial Index, which finished the week a net 7.2 points lower at 407.4.

There is no other obvious reason for this weakness, and the explanation is that whereas the Dow's gyrations since its Spring peak were of marginal interest so long at Wall Street could be said to be consolidating its rapid 1970 gains, the trend there now cannot be dismissed so lightly.

The FT All-Share Index has performed rather better than the FT Industrial Index over the week, and further underlying strength is seen in the fact that falls in FT quoted securities only jumped well ahead of rises on Thursday. *Moreover, it is interesting to* analyse the movements of the FT Industrial Index's 30 constituents, where the weakness has been by no means universal.

In the nine trading days to Thursday, the Index dropped 4 per cent. Five companies—Distillers, Imps, UDS, Grand Metropolitan and John Brown—performed noticeably worse than that. On the other hand, eight companies managed to hold their own or show a gain. The Index is still only 5 per cent. below its September peak, and there seems to be no reason at the moment to regard its current movement as anything other than a consolidation phase.

Top Performing sectors in four weeks to October 21	
	% rise
Toys & Games	19.38
Discount Houses	10.19
Entertainment & Catering	7.57
Contracting & Construction	2.61
Motors & Distributors	0.54
	% Fall
All Share Index	4.47
The worst performers	
Tobacco	8.26
Wines & Spirits	10.75
Office Equipment	10.76
Breweries	11.49
Insurance (Life)	12.01

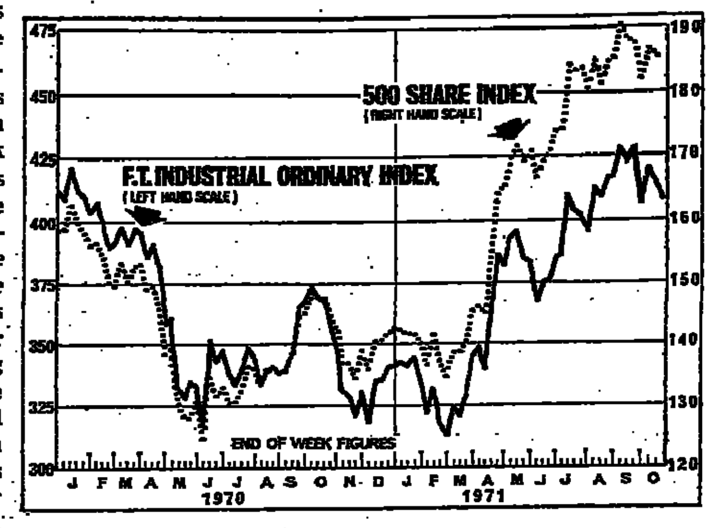
Allied Breweries' obstacle course

According to the Takeover Panel, Monday's Allied Breweries approach to Trust Houses Forte did not constitute a "take-over situation" within the meaning of the Code. In principle, this may be frowned upon by City radicals, since it allows dealings by interested parties without immediate disclosure; in practice, however, one is inclined to wonder if there is not something prophetic about the Panel's decision.

For a start, it must be an open question whether a Board as unhappily split as that of THF *can actually sit down to negotiate* terms with Allied before it first sorts out its own internal differences. Talks need to stay on a friendly basis, since the THF trustees control 50 per cent. of the votes. Given its own experience, Allied might be prepared to argue that an element of personality conflict, channelled in the right direction, can be to the benefit of a divisionalised operation; but there is a big difference between competition and open war.

Second, there is the question of price. Allied, at 113½p, is on a prospective 1970-71 p/e of around 14½, while THF, 37p higher on the week at 164p, is on an historic p/e of 21½ with the prospect of no significant improvement in the current year. If this meant, say, a 50:50 equity Loan stock offer at 180p to mitigate earnings dilution for Allied, that would involve increasing Allied's debt equity ratio from 0.6 to 1.6; and even with the possibility of a large property revaluation surplus this sort of gearing might be a deterrent to this type of bid.

The earnings dilution point is emphasised by the contrast with Grand Met-Trumans. Then, talk in the trade was that profits produced by a member of the traditionally conservative brewing establishment could be expanded by a less restrictive regime. Now, the question is what effect applying a major brewer's cautious accounting philosophy—say, on matters like maintenance expenditure and tax equalisation—would have on the earnings of Trust Houses Forte. Meanwhile, a point for holders of the THF warrants. At 37p a share, and on a subscription price of 180p, the market is banking heavily on the warrants having a continued life when the current action is over. However, if the bid were made simply on an intrinsic value basis—as happened in the case of Berger Jenson—it would take a 217p bid for the THF equity to put warrant holders in the clear at the current price. In fact, the real hope for THF holders is that the Allied initiative will produce other interested parties, with more expensive currency.



Speculation in Johnson Matthey

Suddenly there has been a resurgence of interest in Johnson Matthey, the precious metals group whose fortunes have waned in line with the platinum and silver markets. From a high of 315p at the start of the year JM's shares sank to a low point of 212p after a dive in profits and the revelation of heavy defaults by a silver speculator operating in Switzerland, at an estimated cost of £7m. Yet about three weeks ago stories began to circulate of a possible U.S. bidder, and certainly there has been evidence of a big buyer in the market.

From 232p on October 1 the shares rose steadily to a peak of 308p on Tuesday, though they have since eased to 297p; a rise on this scale can hardly be explained by this week's news that JM intends to sell its Hatton Garden head office for maybe £6m. over its £900,000 book value, a gain of some 35p a share. And on the trading front there is continued gloom in platinum, where Rustenburg Mines—for whom JM are sole refiners—have cut production rates sharply.

Moreover, the slump in silver—which this week has been hitting the worst price levels for 4½ years—poses questions about the adequacy of the provisions made to cover the bad debts. The defaulted contracts—running from a few months to a year or so—were taken over by JM. However there was a period in the spring when JM could have unwound some positions without too much damage.

Hopes and fears for the engineers

Six second-line engineering companies produced results this week: an investment in all six a couple of weeks ago would have yielded an average gain of over 15 per cent., and that includes Stone-Platt which suffered a sharp initial setback on its half-year figures. The suggestion is that, for all the hopes of improving orders in the latter part of next year, the market is still more concerned with the current lean trading picture, and is prepared to be pleasantly surprised when its fears are proved to be misplaced.

Fun and games in the toys sector

In the space of just six weeks the toys and games index has moved from the unhappy position of worst performing sector in our regular performance lists right up to the number one spot. The sharpness of this turnround must reflect the oversold position of the sector, which has been reeling for so long in the face of a series of calamities, the latest of which was the decision of Lines Bros. to go into liquidation. Yet there is also talk of a useful revival in the trading scene.

Sales to the trade, in fact, are reckoned to be very strong ahead of the Christmas season, and demand from the public has also been good, especially for kits and games. So among the more solidly-based toy companies, Airfix in particular has enjoyed a sharp rise in its share price in the past few weeks.

This also applies to John Waddington and J. W. Spear, the games specialists, who obviously stand to gain more than most from current sales trends. Shares of Dunbee-Combex-Marx responded favourably to its forecast of a substantial profits rise in Monday's interim statement. Yet Dunbee's rating could now be a little vulnerable; and the outlook for die-cast toys is still not good enough to give Lesney a clear run—sales in Europe and Japan are going ahead, but the U.K. and the American market are uncertain at this stage.

In fact, private investors should be wary. Activity in the toys sector generally increases at this time of year as the first news of the peak selling season filters through from the trade. And the narrow markets for most toy shares exaggerates the speed downward as well as upward moves.

Onlooker

MARKET HIGHLIGHTS OF THE WEEK

	Y'day	Change on Week	1971 High	1971 Low	
F.T. Ind. Ord. Index	407.4	−7.2	430.8	305.3	Leaders weak on lack of buyers
Allen Harvey & Ross	630	+40	630	337½	Good interim statement
Beecham Grp.	308	−22	356	225	General market trend
British Pet. (New) Nil Paid	98pm	−17	128pm	98pm	General selling
British Syphon	225	+40	225	98½	Good half-year figures
Ductile Steels	217	+21	218	103	Good results/Prop'd. scrip issue
Eagle Star Ins.	440	−42	497	271½	Disappointing interim report
Group Lotus Car	84	+9	84	35	Sharp interim profits recovery
Hawker Siddeley	260	+45	265	123	Ahead and after interim results
Ladbroke Grp.	356	+40	356	122½	Chairman's encouraging review
Natl. Westminster Bk.	538	−27	630	323¾	Small selling: Lack of support
Paul (W. H.)	49	+18	50	13½	Demand in a thin market
Poseidon	620	−110	£22	500	Australian market weakness
Rio Tinto-Zinc	195	−18	270	184	General market depression
Selection Trust	520	−75	780	500	General market depression
Sunley (Bernard)	224	−28	252	105	Profit-taking after recent rise
Thorn Elect. 'A'	408	−14	450	256	General market trend
Trust Houses Forte	164	+37	178	116	Bid approach from Allied Brews.
Tube Investments	415	−23	467	304	General market trend
Unilever	290	−21	340	215	Broker's "sell" recommendation

Five bad days

BY NICHOLAS COLCHESTER

IN A SOLID display of pessimism, Wall Street registered declines all of this week, to close at 852.37 on the Dow Jones Industrial Average—22 points below its level last week-end.

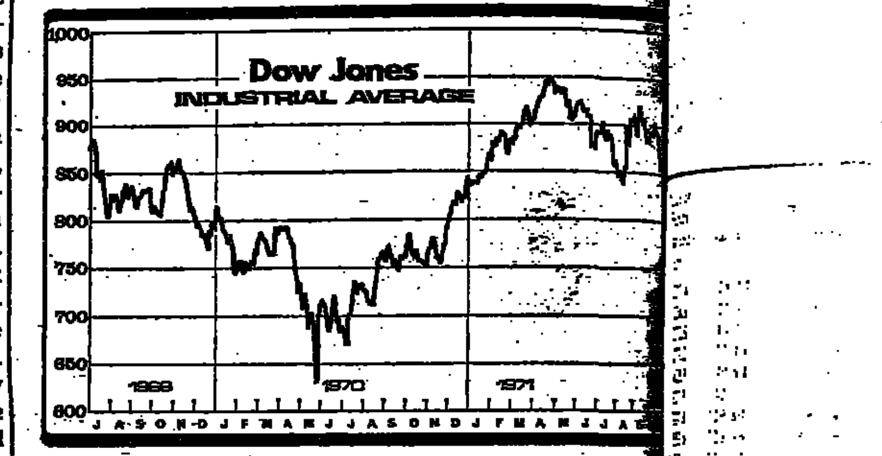
The market has fallen from the 900 level with barely an upward pause, and in the space of just two weeks to a level that leaves it a bare 15 points from its low in the middle of August when the economy was plodding along the road to recovery with the monetary reins completely slack. The decline means that the sudden gains that followed the change in President Nixon's approach, the sudden swing to direct intervention, the promise of fiscal stimulus, the protective barrier against imports—these gains have now been quite wiped out.

Why? It is usually possible to find retrospective reasons for anything the market does, but the solid retreat of the last two weeks is very baffling. Nearly all economists are confident that President Nixon is right in thinking that 1972 is going to be a very good year for business. If the market liked the toughness of the President's move in August, it had little to complain about a fortnight ago when he announced a continuation of controls under "phase two," which begins next month. Especially as the programme was nakedly "pro profit." Interest rates are falling, the bond market is strong. Whence the misery?

The answer can only lie in investment. This ... gone on for four ... five months. It only unde... the fact that the small ... has been in the stock ... this year only to sell. The ... of the rise in the first ... 1971 was fuelled by the ... inpouring of institutional ... that eclipse dsales by indiv... worth $4,400m. in the fi... months (according to Salomon Brothers' figures) small investor showed a ... interest in the marke... August in the wake of the ... freeze—mutual fund ... were in the black that mon... but now he is clearly ... enchanted again.

The result is that the ... market is now a profe... market—it is wholly co... by fund managers who ... technical analysts, who ... rationalise their decisio... projecting the perform... sectors and corporations ... the future. These are men ... over, who are paid to ... cisions every day. They ... sell or buy, they ha... "churn" to justify ... existence. Mr. C. G. ... head of research at Kidde... body, points out that th... fessionals are at the ... unable to make concret... jections for the future. ... are too many uncertaintie...

The signs are that wh... money is available is bein... pelled into the mortgage m... into real estate invest... trusts (which have been ... strong performers), and in... bond market where invest... buying to catch the high ... before they decline. ...



uncertainty and in the scarcity of funds that are finding their way into stocks. Taking the last first; it was revealed on Wednesday that the mutual fund industry had seen a record number of redemptions and a record margin between redemptions and the sale of new fund shares. Mutual fund shares worth $471m. were cashed in by disenchanted small investors, and only $304m. worth were bought; the result was to lower the funds' liquidity positions by $166m.

As a result, at the end of September the mutuals were holding only 4.7 per cent. of their assets in cash—a cushion that is extremely thin for furthe rnet justifiable optimism; co... cash positions are strong ... terest rates are falling.

There is too little sp... describe the last gloom... days in detail. The one ... worthy feature was the ... certain glamours wer... Glamours are vulnerable ... moment. There have be... many worrying drops in ... growth. One Glamour ... shows them to have risen ... group, by more than tw... 6.5 per cent. overall rise ... Dow index has shown th... This makes them prone to ... pitous declines, like tho... fered this week by Corning ... and Natomas.

MINES IN THE NEWS

Still in the doldrums

BY KENNETH MARSTON

POTENTIAL BUYERS, and they really do exist, have been still biding their time in mining share markets this week. Golds have continued to sag and Australian issues have forgotten their recent rally, but the recovery situations are building up and it is a question of waiting for the turn in the tide.

When this comes the chances are that the mining finance stocks will be the first to respond. And one that could well be in the vanguard of the movement is **Johannesburg Consolidated.** The shares have nearly halved in price this year and it is understandable when one considers that as much as 54 per cent. of the South African mining finance company's investment revenue in the year to June 30 came from diamonds and the depressed copper and platinum holdings.

The annual report this week has shown an asset value at June 30 equal to £20 per share, more than double the current market price. Based on the market value of investments this figure must be lower now, especially in view of the fall in Platinum shares following the sharply reduced dividend from **Rustenburg Platinum** which will be reflected in "Johnnies" investment income for the current year.

"Johnnies" offer a dividend yield of just over 5 per cent. on last year's increased dividend which is a reasonable return for a company of this calibre. Whether or not there will be a reduction in the payment for the current year is a moot point and the chairman's statement at the meeting on November 16 will be awaited with particular interest on this occasion. We may also hear more about the Rhodesian Shangani nickel project which is expected to reach production in 1973.

Ore reserves

In Australia, **Western Mining** has discovered yet another nickel or shoot at its Kambalda property. Furthermore the chairman, Sir Lindesay Clark, has indicated at this week's meeting, that the company's ore potential is far bigger than the last published official ore reserve of 20.57m. tons averaging good grade of 3.4 per cent. nickel.

The new smelter is expected to come into operation in early 1973 and it seems reasonable to expect that, if nickel market conditions warrant, Western Mining will expand its production. Meanwhile, the company has been largely protected by its long term sales contracts from the falling off in demand for nickel.

For the first half of the current year to next June lower earnings are expected, but Sir Lindesay hopes for a "significant improvement" in the second half. Western Mining has transformed the fortunes of **Hampton Gold Mining Areas** which not only holds shares in the latter company but also draws royalties on part of its production. And this week Hampton Areas has declared a dividend of 1.5p, the first since the company was registered in 1920.

Also further increasing its ore reserves is that great copper mine, Australia's **Mount Isa**, which now has an impressive 130m. tons of copper ore grading a good 3 per cent. copper. However, the annual report of the parent company, **MIM Holdings**, has pointed out that although new production records were achieved in the year to last June, lower metal prices and higher costs reduced net profits to $38m. (£17m.) from $55m. in the previous year. Even so, the latest earnings are still comfortably ahead of the $28m. made in 1968-69.

Uranium deal

While nearly all metals are in over-supply at the moment, uranium has been in that uncomfortable position for longer than the rest of the field. But, as I was saying last week, this *is a temporary situation* and our growing world is going to make far greater demands on its natural resources in the years ahead. The ever forward-looking mining industry is fully aware of this. And so is the oil industry.

The oil men with their impressive financial resources are gradually moving into the mining scene. America's **Superior Oil,** for example, which holds some 35 per cent. of **McIntyre Porcupine Mines,** has partnered **Lonrho** in the South African platinum venture, possibly because this will give Superior a guaranteed source of platinum which will be needed for the production of lead-free petrol in the future.

This week, as forecast on Monday by colleague Lodestar, we have had the news that a U.S. oil major is taking a 35 per cent. interest in the uranium prospect of **Pancontinental** up in Australia's Northern Territory. It adjoins the important finds of **Queensland Mines (Nabariek), Noranda and Peko-Wallsend.**

The U.S. company is **Getty Oil** and it has agreed to spend up to $U.S.1m. (£0.4m.) on further exploration of the prospect. Furthermore, Getty will also provide or guarantee Pancontinental's share of the money needed to take the find to production. So, for a change, Pancontinental is a small Australian company to "come good" and the oil-producing Getty gets a further stake in a rival source of power.

TIN OUTPUTS COMPARED

	Sept., 1971 Tons	August, 1971 Tons	Total to date (months) Tons		Same period previous year Tons
Amal. of Nigeria (tin)	*†278	**†258	†1,759	(6)	†1,735
Amal. of Nigeria (columbite)	5	*†11	†54	(5)	†72
Aokam	†132	†148	†513	(3)	†693
Ayer Hitam	†204	†227	†656	(3)	†366
Berjuntai	†437	†407	†2,122	(5)	†1,750
Bisichi (tin)	63	33	331	(9)	362
Bisichi (columbite)	40	30	255	(9)	267
Ex-Lands Nigeria	25	47	439	(9)	472
Geevor‡	†79	†39	†410	(6)	†445
Gold and Base (tin)	47	41	425	(9)	479
Gold and Base (columbite)	3	3	26	(9)	34
Gopeng	†245½	†223½	†2,520½	(12)	†2,511½
Hongkong	†5	§5	1259	(12)	†307½
Idris	†23½	†29½	†253½	(9)	†231½
Jantar (tin)Φ	§	50½	417½	(11)	†277½
Jantar (columbite)Φ	§	36½	393½	(11)	†440½
Kaduna Syndicate	40	38	360	(9)	338
Kampong Lanjut	†96	†101	†619	(6)	†599
Kamunting	†151	†170	†860	(6)	†910
Kent (FMS)	5	†11	†121½	(9)	†114½
Killinghall	†47½	†40½	†468	(12)	†622½
Kinta Kellas	45½	67½	330½	(6)	415
Kuala Kampar	†87	†73	†458	(6)	†466
Lower Perak	†37	†43	†140	(5)	†166
Malayan	†300	†277	†897	(3)	†1,046
Pahang	†295	†198	†406	(2)	†421
Pengkalen	†90½	†89½	†520½	(12)	†505½
Petaling	†62½	†90½	†597½	(11)	†696½
Rahman	32	22½	159½	(2)	127
St. Piran—Far East	†159	†164	†1,275	(9)	†1,392
St. Piran—U.K. (South Crofty)	†95	†46	†514	(9)	†554
Southern Kinta	†239	†219	†1,292	(6)	†1,396
Southern Malay	†200	†199	†549	(3)	†761
Sungei Besi	†182	†167	†1,250	(6)	†811
Sungei Way	†56	†60	†220	(2)	†254
Tanjong	†31½	†32½	†257½	(9)	†225½
Tongkah Harbour	†35	†58	†217	(3)	†230
Tronoh	†292	†256	†2,597	(9)	†1,896
Utd. Tin of Nigeria (tin)	5	9	62	(6)	53
Utd. Tin of Nigeria (columbite)	Nil	Nil	Nil	(6)	Nil

* Four weeks. ‡ Figures do not include low-grade material. § Not yet available. ¶ Five weeks. Outputs are shown in long tons (2,240 lbs) except where the sign † denotes metric tons (2,205 lbs). Φ Current year output now includes that of Forum Extended (Nigeria).

TV/Radio

* Indicates programme in black and white.

BBC 1

*9.38 a.m. Square Two. *10.00 Wie Bitte? 10.30 Zarabanda. 12.00 Week-end Weather. 12.05 Ali Bongo's Cartoon Carnival.
12.45 Grandstand: 12.50 Football Preview: 1.40 Fight of the Week: *John Kellie v Johnny Clark*; 1.25, 1.50, 2.20, 2.50 Racing from Newbury; 2.35, 3.10, 3.45, 4.30 International Swimming: Bologna Trophy; 3.0, 4.00 Rugby League; Widnes v Barrow; .40 Results Service.
5.10 The Partridge Family.
5.35 News.
5.45 Bruce Forsythe and the Generation Game.
6.30 "The Time Machine," starring Rod Taylor, Yvette Mimieux and Sebastian Cabot.
8.10 Harry Secombe Show.
8.55 Francis Durbridge presents.
9.40 Frankie Howerd in Up Pompeii!
10.10 News.
10.20 *Match of the Day.*
11.20 Braden's Week.

All Regions as BBC 1 except at the following times:—

Wales—5.45-6.05 p.m. Ask the Family. *6.05-6.30 Disc a Dawn. *11.00-11.20 Match of the Day, including highlights of a Welsh fixture.

Scotland—*5.00-5.10 p.m. Sportsreel. 10.20-11.20 Sportsreel: Scottish League Cup Final. 11.57 Scottish News Headlines.

Northern Ireland—*5.00-5.10 p.m. Sports Results and News Summary from Northern Ireland. 11.55 Sports Final followed by Northern Ireland News Headlines.

BBC 2

3.00 p.m. Saturday Cinema: "Beautiful But Dangerous," starring Gina Lollabrigida with Vittorio Gassman and Robert Alda.
7.20 Westminster.
7.40 News, sport and weather.
7.55 The Search for the Nile.
8.55 Wide World of Entertainment, part 3.
9.40 Trials of Life.
10.10 Fathers and Sons.
10.55 Film Night.
11.25 News on 2.
*11.30 Midnight Movie: "The Quiet American," starring *Audie Murphy, Michael* Redgrave and Claude Dauphin.

LONDON

10.55 a.m. RAC Road Report. 11.00 Sesame Street. 11.55 Out of Town. 12.15 p.m. Stingray. 12.45 News from ITN.
12.50 World of Sport: 12.55 On the Ball. 1.20 They're Off! 1.30, 2.00, 2.30 and 3.10 Racing from Stratford; 1.45, 2.20 and 3.00 Racing from Doncaster; 3.20 International Sports Special: Consulate International Canoe Slalom from Llangollen; 3.50 Results, scores, news; 3.54 Wrestling; 4.45 Results Service.
5.00 UFO.
5.55 News from ITN.
6.00 The Comedians.
6.30 Please Sir!
7.00 "The Hallelujah Trail," starring Burt Lancaster and Lee Remick.
9.30 Hawaii Five-O.
10.30 News from ITN.
10.40 Aquarius.
11.40 All Our Yesterdays.
12.10 a.m. Aspects of Faith.

All ITV Regions as London except at the following times:—

ANGLIA

12.15 p.m. All Our Yesterdays. 5.00 The Rovers. 5.30 The Flintstones. 6.00 Please Sir! 6.30 Sale of the Century. 7.00 "The Beautiful Blonde from Bashful Bend," starring Betty Grable and Cesar Romero. 8.30 Hawaii Five-O. 9.25 The Marty Feldman Comedy Machine. *11.00 The Legend of Jesse James. 12.10 a.m. Reflection.

ATV MIDLANDS

12.10 p.m. To-morrow's Horoscope. 12.15 Joe 90. 5.00 It Takes a Thief. 6.30 First Time on TV Western: "The Return of Frank James," starring Henry Fonda and Gene Tierney. 8.05 Please, Sir! 8.35 O'Hara, United States Treasury. 9.25 The Marty Feldman Comedy Machine. 11.40 Popeye. 11.45 Personally Speaking: Norman St. John-Stevas.

BORDER

11.45 a.m. Yoga for Health. 12.15 p.m. Farming Outlook. *6.30 Border Sports Results. *6.35 The Saturday Film: "Tarzan's Peril," starring Lex Barker, Virginia Huston and Dorothy Dandridge. 8.00 The Comedians. 8.30 I Spy. 9.30 The Marty Feldman Comedy Machine.

CHANNEL

5.00 p.m. UFO. 6.00 The Comedy Hour: The New Dick Van Dyke Show. 6.30 Please Sir! 7.00 Week-end Weather. 7.02 Saturday Film: "Anna and the King of Siam." 9.25 The Marty Feldman Comedy Machine. 11.40 The Comedians.

GRAMPIAN

11.00 a.m. Sesame Street. 11.55 Cartoon Time. 12.00 Grasshopper Island. 12.15 p.m. All Our Yesterdays. 5.00 Batman, followed by Highland League Results. 6.00 Please Sir! *6.30 Saturday Cinema: "East of the Rising Sun," starring Spencer Tracy, Valentina Cortesa and James Stewart. 8.00 The Comedians. 8.30 O'Hara, United States Treasury. *9.30 The Benny Hill Show. *11.35 The Untouchables.

GRANADA

11.55 a.m. Judo. 12.20 p.m. Rocket Robin Hood. 5.00 Lost in Space. 6.00 Sylvester. 6.10 UFO. 7.05 Please Sir! 7.40 Saturday Thriller: "The Immortal." 8.55 The Comedians. 9.25 The Marty Feldman Comedy Machine. 11.40 The Silent Force.

HTV

*11.10 a.m. Country Visit. 11.25 H. R. Pufnstuf. 11.50 The Adventures of the Seaspray. 12.15 p.m. Bush Boy. 5.00 Randall and Hopkirk (Deceased). 6.00 Please Sir! 6.30 Saturday Cinema: "Slattery's Hurricane," starring Richard Widmark and Linda Darnell. 8.00 The Comedians. 8.30 FBI. 9.30 The Benny Hill Show. 11.40 Cinema.

SCOTTISH

12.00 Beagan Gaidhlig. *12.15 p.m. Shari's Show. 5.00 Scotsport. 5.15 Popeye. 5.25 Fireball XL5. 6.00 Please Sir! 6.30 Saturday Action Movie: "Siege Of The Saxons," starring Ronald Lewis and Janette Scott. 8.00 The Baron. 9.00 The Comedians. 9.25 The Marty Feldman Comedy Machine. 10.40 Scotsport. 11.15 The Prisoner. 12.08 a.m. Late Call.

SOUTHERN

11.15 a.m. All Our Yesterdays. 11.45 Thunderbirds. 12.42 p.m. Regional Weather Forecast. 5.05 Randall and Hopkirk (Deceased). 6.00 Junkin. 6.30 Please Sir! 7.00 The Comedians. 7.30 Saturday Film: "An American ... The Philippines," starring ... and Micheline Presle. 9.30 B... Show. 11.40 Southern News.

TYNE TEES

11.00 a.m. Arthur. 11.30 All O... days. 12.00 Cartoon Carnival. ... The Bugaloos. 6.00 Please Si... Action 90: "Guadalcanal Diary," ... William Bendix and Lloyd N... The Comedians. 8.30 Thriller. ... Marty Feldman Comedy Mach... The Avengers. 12.35 a.m. ...

ULSTER

12.15 p.m. Skippy. 5.00 ... *5.25 Sportscast. 6.00 Please ... Saturday Picture: "The ... River," starring Van John... Dru and Richard Boone. ... Persuaders. 9.00 The Comed... The Marty Feldman Comedy ...

WESTWARD

11.35 a.m. The Gus Hone... 11.50 Pippi Longstocking. ... Drive-in. 5.00 UFO. 6.00 T... Hour—The New Dick Van D... *7.00 Feature Film: "Anna a... of Siam," starring Rex Harr... Irene Dunne. 9.25 Marty Feldm... Machine. 11.00 The ... *12.05 a.m. Faith For Life.

YORKSHIRE

10.55 a.m. Grasshopper Isla... Phoenix Five. 11.30 All Our ... 12.00 Grasshopper Island. 12.1... Bugaloos. 6.00 Please Sir! ... 90: "Guadalcanal Diary," ... Preston Foster, William Ben... Nolan and Anthony Quinn. ... Comedians. 8.30 Thriller. 9.2... Feldman Comedy Machine. 11... ment S.

RADIO 1 247m

Time checks, up-to-the-minute traffic reports and News summaries at 5.30 a.m., 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30, 10.30, 11.30, 12.30 p.m., 1.30, 2.30, 3.50, 5.30, 7.30, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.02, 7.32, 8.02, 8.32, 2.02 a.m.

5.30 a.m. As Radio 2. 8.32 Ed Stewart with Junior Choice. 9.55 Stuart Henry. 12.00 The Rosko Show. 2.00 p.m. David Gregory. 4.00 Scene and Heard: Johnny Moran. 5.00 Mike Raven. 6.30-2.02 a.m. as Radio 2.

RADIO 2 1,500m; VHF

News summaries at 5.30 a.m., 6.00, 6.30, 7.00, 7.30, 8.00, 8.30, 9.30, 10.00, 11.00, 12 noon, 1.00 p.m., 2.00, 6.00, 7.30, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.02, 7.32, 8.02, 8.32, 6.02 p.m., 2.02 a.m.

5.30 a.m. News. 5.32 Breakfast Special. 8.27 Racing Bulletin. 8.32 Ed Stewart with Junior Choice. 9.55 For Younger Listeners. 10.02 Joe Henderson introduces Melody Time. 12.02 p.m. The Jack Jackson Show. 1.02 The Radio Orchestra. 2.02 Sport on 2: 2.02, 2.26 Racing from Newbury: 2.15, 2.55 Racing from Doncaster; 2.08, 2.25, 2.35, 3.04, 3.35, 4.08 Golf: Double Diamond Tournament: 2.10, 2.35, 3.35, 4.08 Lawn Tennis: Dewar Cup. 3.05 Sports Forum: 3.45 Association Football. 5.00 Sports Report. 6.03 Listen to the Band. 6.30 Country Meets Folk. 7.32 Those were the days. 8.30 Star Sound with Sean Kelly. 9.00 European Pop Jury. 10.02 Ray Moore's Saturday Night. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride. 2.00 News.

RADIO 3 194m, 464m; VHF

8.00 a.m. News. 8.05 Aubade: Waldteufel, Offenbach, Heisted, Granados, Ireland, Elgar, gramophone records. 9.00 News. 9.05 From the 1971 European Festivals: Brahms. 10.10 Interval: talk. 10.25 Festival concert, part 2. 11.15 Record Review. 12.15 p.m. Mid-day Concert: Haydn, Arnold. 1.50 Afternoon Sequence. 4.10 Mozart concert. 5.05 The Week Ahead. 5.30 Stereo Rock. 6.00 The Orchestra in the 60s. 6.35 Schubert piano music. 7.05 Pesonal View 7.25 Ottone, Act 1 (Handel). 8.25 approx. Interview. 8.35 Ottone, Act 2. 9.35 approx. Talk. 9.45 approx. Ottone, Act 3. 10.30 Interpretations on Record. 11.30 News Summary.

RADIO 4 330m; VHF

6.25 a.m. News Summary. 6.27 Farming To-day. 6.45 Outlook. 6.50 Regional news and weather. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Outlook. 7.50 Regional news and weather. 8.00 Today: magazine. The News. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 8.59 Weather. 9.00 News. 9.05 10.15 Saturday Briefing. 9.05 From Our Own Correspondent. 9.30 The Weekly World. 9.45 The Week in Westminster. 10.15 Daily Service. 10.30-12.00 Study on 4: 10.30-12.00 (on VHF) Open University. 12.00 Sports Parade. 12.25 p.m. Top of the Form. 12.55 Weather and programme news. 1.00 News. 1.15 Any Questions? 2.00 Afternoon Theatre. 3.00 Week-end Woman's Hour from the regions. 4.00 Film Time presents Mike Nichols. 4.30 Pick of the Week. 5.30 Week Ending review of the week's news. 5.55 Weather and programme news. 6.00 News. 6.15 Letter from America. 6.30 Sports Session. 7.00 Desert Island Discs. 7.30 My Kind of Music: Cliff Morgan with records. 8.30 Saturday Night Theatre. 9.45 Mr. Asquith's daughter: Lady Violet Bonham Carter. 9.58 Weather. 10.00 News. 10.10 A Word in Edgeways. 10.50 Lighten Our Darkness. 11.05 News.

TV Top

Week ending October

1 The Persuaders
2 Family at War
3 News At Ten (Wednesday)...
4 Coronation Street (Wednesday)...
5 Fenn Street Gang
6 Justice ...
7 The Sky is the limit ...
8 Coronation Street (Monday)...
The Lovers ...
10 Father Dear Father ...
11 News At Ten (Friday)...
12 On the Buses ...
13 International Football
The Comedians
15 Please Sir ...
16 World in Action
17 Rivals of Sherlock Holmes ...
18 Armchair Theatre
19 Softly Softly ...
20 David Nixon's Magic Box ...
Upstairs-downstairs

Figures compiled by ... Great Britain for ... Industry Committee ... sion Advisory Research

صلكة منه الأصل

Unit trusts — Your savings and investments

Property bonds under fire

BY PETER RIDDELL

HE MAIN PROPERTY BOND oups have been engaged in a assive advertising campaign cently as a casual glance at y newspaper this week-end ill confirm. Though this has early paid off in the form of n estimated overall monthly flow of £7m.-£8m. the public e in effect buying a brand-ew product in many cases.

Thus only two out of the 20 xisting groups have been selling property bonds for more han two and a half years hough, almost by definition, roperty is a long-term investment and should be judged ccordingly. As a result the onds have had to be sold on e reputation of the groups unching them coupled with rious charts showing the increase in the value of commercial property to date.

The problem raised by this pe of advertising is one of e central points in this week's emorandum from the Council the Stock Exchange to the ott Committee, which is investigating property bonds and it-linked assurance schemes.

In surprisingly forthright rms the Council states that advertisements of life assurance schemes are from time to me misleading with regard to rformance record and to the vestment policy followed. ere should, therefore, be eater control of advertisements and selling methods in neral."

Thus the investment policy ould be set out including particulars of the maximum proporon of the fund which can be vested in any one security. here should also be protection ainst the presentation of vertisements, pictorially or herwise, in any way likely to islead the public by the use ambiguous phrases and aphs. In respect of property nds a performance record ould be published covering e last ten years, or since the nd's formation if more recent. Suggestions are also included vering the disclosure of nagement charges, scale of mmission payments, and a nd's policy as to liquidity as ell as the need for an annual dependent revaluation of all operties held.

These proposals clearly reflect e thinking of the Quotations epartment of the Stock change and are only in line ith the existing stringent reirements for obtaining a blic quotation. One of the ain criticisms of the ideas is at the Council seems to be rgetting that advertisements e usually read by laymen who uld be confused by a detailed ll-page prospectus.

Though most leading proerty bond groups agree with e detailed recommendations disclosure, several feel that vertising standards are on the ole satisfactory at present d that the problem has been aggerated. This view seems be more or less justified ough the Council has done service in drawing attention those abuses which do exist. us there are undoubtedly a w cases where a short-term cord of only a year or so has en set out with the clear plication that this is some ide to the long-run outcome.

Confusion can also be caused some cases by advertisements hich say that a fund is Backed by . . . . Ltd." and e Council argues that such rases should not be used less it is made abundantly ear what the "backing" tually represents, as, otherise, they could lull many vestors into a completely lse sense of security.

Overall, the Council's prosals on disclosure have a lot be said for them as anything ich prevents even the small mber of current abuses is lcome. One means of doing s might be via the kind of pervision currently provided the unit trust industry by an dependent trustee. At present only some property bonds e covered by the tight rules the 1967 Insurance Comnies Act.

However, the Council has me in for more widespread iticism in respect of its neral recommendations on e position of policyholders. us according to one leading nd manager the Council has mpletely failed to understand e difference between unit sts and life assurance in guing that investors should ve rights of representation. e Council has argued here at holders of unit-linked surance have placed their capital at risk in the same way as owners of equity shares.

In particular the critics have laid into the idea that there should be annual general meetings of unitholders, who should have the right to attend and vote on various matters, including the appointment or removal of managers or valuers. The counter argument here is partly based on the fear that the latest "whizz-kid" will drum up support for his promises of better performance and thus be able to take over a fund of several million pounds. This process might be made easier by the fact that probably only a few out of the large number of unitholders will turn up to any meeting and vote. In fact unitholders would probably be better protected by the appointment of a trustee.

Repurchases

UNIT TRUST repurchases reached a new peak in September after several months at a high level. But amid the general gloom over this trend one group, at least, thinks that the figures need to be seen in perspective and that the significance of net sales is widely overrated. The questioning, if far from final, voice on the subject comes from Target's Ian Sampson.

His argument is based on the repurchase ratio which represents the total value of the units repurchased in each year expressed as a percentage of the average value of funds at the end of each month of the year. This should provide a better guide to the relative importance of repurchases than merely examining the net sales trend.

ar	Value of Funds (year end) £m	Sales	Repurchases	Net Investment	Holdings Millions	Repurchase Ratio p.c.
60	201.4	26.88	13.37	13.51	0.66	6.7
61	236.6	21.57	14.21	7.36	0.67	6.3
62	272.5	45.01	11.07	33.94	0.82	4.4
63	371.2	77.46	17.78	59.68	1.05	5.5
64	428.9	99.64	22.60	77.04	1.31	5.5
65	521.9	80.80	21.78	59.02	1.42	4.6
66	581.8	129.69	24.26	105.43	1.64	4.3
67	853.6	126.56	42.64	83.91	1.71	6.0
68	1,482.4	328.93	70.45	258.48	2.15	6.6
69	1,411.9	262.70	76.53	186.18	2.39	5.4
70	1,397.7	171.15	73.35	97.80	2.40	5.3

As the accompanying table shows, the repurchase ratio has fluctuated between 4.3 and 6.7 during the past decade and the average of 5.5 can be regarded as some kind of norm. Thus on the basis of the value of funds each month so far this year and assuming no change for the rest of 1971, it is argued that the industry must expect repurchases of at least £92m. this year. This would be a record figure in itself though merely a function of the record total of unit trust investment resulting from this year's rise in the equity market.

In fact, on present trends, repurchases will probably amount to about £130m. in 1971, giving a repurchase ratio of 7.8. Apart from the general tendency for this ratio to increase during a bull market the extra £38m. undoubtedly derives in part at least from investors who came in during the three peak months (December 1968, January and February 1969). These unitholders went through a disillusioning period during the bear market and are now getting out after seeing their units at par or above. But this extra £38m. is also less than the total sales for any one of these months on its own.

The big question now is whether the jump in the repurchase ratio is a once-and-for-all phenomenon or the beginnings of a long-term decline. It is arguable that the reaction from the 1968-69 bull market should have nearly run its course by now, but in any event the current level of repurchases is small in relation to the total funds invested.

In the longer-term the unit trust industry obviously hopes for a substantial net investment as nobody likes to be part of a contracting industry—on marketing grounds if no other. Over a longer period any significant net disinvestment would also reduce the income from the annual charge.

However, in the short run, and particularly in stable or rising markets, unit trusts are not affected financially to any great extent if repurchases do exceed sales. This is because managers can liquidate surplus repurchased units at no cost to themselves while following a sale the managers receive the initial charge or alternatively a dealing profit. And the initial charge is what matters for a group as it can be up to 5 per cent. compared with a normal annual charge of around ½ per cent.

It is thus far more important whether sales are at a reasonable level and so far in 1971 sales at £143.2m. (admittedly inflated by £20m. from two new investment trusts investing solely in unit trusts) are slightly ahead of last year's nine-month figure. What is more, total sales for 1970 were the third highest on record.

Component makers go ahead

BY STANLEY GUYER AND WILFRID PICKARD

AT THIS TIME of the year it is usual to be saturated with statistics about the motor industry's performance and prospects. But this year the seasonal euphoria looks more soundly based than it has done in the recent past. Sales of motor cars to the home market in August were 49 per cent. higher than a year ago and car exports are going strongly.

Component manufacturers must be sharing in this better level of activity and with an eye on British membership of EEC they are aiming to increase their European links. The Dunlop/Pirelli tie up is the biggest so far but certainly not the only one.

Automotive Products Associated has this week fixed up to supply the Alfa Romeo company of Italy with automatic gear boxes and says it is negotiating with three other Continental companies to supply them with automatic transmission. APA has been one of the high flyers this year in a sector that has kept itself up among the stock market leaders.

At 750p the shares have more than doubled from their low point of the year and although the yield is now only 1.7 per cent. this reflects a cover of nearly 4½ times and the p/e rating of 13.7 is on the low side for a company which has increased its earnings per share from 22p to 54p in the past four years. It has since raised pre-tax profits by a further 35 per cent. to £2.5m. in the six months to June last. The rating reflects some caution in the interim statement that has since been overtaken by events.

Another supplier to the motor industry that has not flown high is **Griffiths Bentley**. Acquisition of Britax Excelsior will put GB in the big league among car component suppliers. It will reverse, to some extent the previous takeover policy of spreading away from cars but will still leave it a well diversified group and one that has the useful financial backing of Slater Walker Securities.

All this is improving fairly rapidly the company's investment rating. Britax, still the largest manufacturer in this country of car safety belts, has spread its product range well beyond the traditional belts and now has 60 per cent. of its turnover in other accessories and car components. Not least among these is the steering column lock made in its Munich factory in West Germany. Griffiths Bentley profits are still reflecting an active take over policy and should benefit from the substantial recovery now being seen in Britax. At 36p GB is on a p/e of 12.5 which does not look too far ahead.

IN BRIEF

To counter a falling trend of attendances most greyhound track operators are looking elsewhere in order to hold their profitability. The latest half-year figures from **Totalisators and Greyhound Holdings** showed attendances in the first half down by 3.5 per cent. which largely offset the increased retentions from the totalisator. However, a 15 per cent. increase in attributable profits was due to lower charges for interest and tax.

To offset the falling attendances the company has branched out into car racing and an investment of £20,000 in a 50 per cent. holding in Lowther Wildlife Park in the Lake District. But basically the potential for the shares is in the property development possibilities of the group's six race tracks and this is not yet discounted in a price of 18½p.

The slide from favour by the former high flyer supermarket group **Pricerite** may now be at an end. Earlier this month there was the disastrous first half profit figure of £149,000 against the previous £424,000, and the share price slipped to 34p compared with a high of 266p in 1968.

But promotional and reorganisation spending now seems to be paying off in higher turnover. There has been a switch of emphasis into discounting. And with the recruitment of experienced senior management the prospects for a resumption of its earlier growth trend are good. Now at 55p the shares should recover more of the fall as the present policy pays off.

More equity rights issues

DESPITE the absence of any noticeable quickening in the rate of capital spending by industry there appear to be improving prospects of the economy moving into a boom period. Gearing between equity and prior charge capital is now generally in better balance following a phase of fixed interest stock issues. And with the signs of saturation of the bond market companies are turning to equity rights issues to take advantage of the high level of public saving and the lower cost of obtaining this type of finance.

The largest issue currently in the pipeline will raise £120m. for **British Petroleum**. The cost of the new shares is 514p, half of which is due by November 2, and the current premium on the stock, nil paid, is 100p. London stockbroker Smith Rice Hill is looking for BP profits in excess of £160m. or over 45p a share, and says the future is very encouraging.

Chubb and Son has just raised some £3m. by a rights issue. At 113p the price is 10¾p below the adjusted high, and now stands on a p/e of 18.7. Keith, Bayley, Carroll's recent recommendation of the shares pinpoints the scope for expansion in Europe following the recent Dutch acquisition and progress towards Britain's membership of the EEC. The new shares are free of stamp duty.

In a more speculative category at the other end of the size scale, **Dowgate and General Investments**, is issuing 6.3m. shares at 12p on a three-for-eight basis. An associate of Drakes the successful financial group, D and GI aims to build up its dealing and investment activity, and the next few months could see the shares move ahead. Currently at 1¾p premium the new shares have an acceptance deadline of November 3.

Bonochord has expanded its hearing aid interests into Europe by the acquisition of the Austrian based Viennatone Group. Profits look to be firmly on an uptrend. The premium of 2½p over the 13p issue price could shade nearer final acceptance on November 5.

WHAT THE BROKERS SAY

MAJOR CHANGES in the structure of LEWIS AND PEAT during the past decade have extended the company from what was originally a commodity broking and commission agency to include a substantial stake in wholesale and retail grocery, a logical development of its commodity expertise. The group has also taken a substantial interest in insurance broking through Fenchurch.

It is on this diversification that **Rowe, Swann and Co.** recommend the "A" shares. The below-average p/e multiple of 13.5 is, in the broker's view a discount on the FT-Actuaries 500 Share Index that does not look to be justified by the 23.25 per cent. annual growth in earnings per share over the past four years; or by the increasing contribution that is coming from its newer activities. These include a 16.4 per cent. stake in Esperanza Trade and Transportation.

Underpinning this faith in the parent company the broker looks for better results from FENCHURCH INSURANCE and recommends the company in anticipation of its full growth potential being realised over the next two or three years. Much of this will come from generally better prospects for insurance broking, cost saving and the recent acquisition of Canado Britannia Insurance by means of a dollar loan.

Warrants

Judging from their recent price buoyancy **Hedderwick Borthwick** concludes that there is a big demand for warrants. These effectively give an option to buy shares at predetermined prices at future dates. Based on a calculated current cost of purchase through warrants, in conjunction with the gearing between the price of the shares and the warrants the broker says HILL SAMUEL, GRAND METROPOLITAN and NATIONAL WESTMINSTER are relatively cheap. SIME DARBY and THANET are comparatively dear.

Cement

U.K. production of cement by ASSOCIATED PORTLAND CEMENT was only 4.6m. tons in 1965. **Joseph Sebag** expects capacity to reach 13m. tons by 1972. But overseas expansion has been even more impressive, with its proportion of total output next year rising to over 50 per cent. of the total for the first time.

Among Insurance composites Sebag recommends GUARDIAN ROYAL EXCHANGE. Progress should be helped by the benefits from internal integration and U.K. motor business is improving. In view of its wide overseas insurance brokerage coverage, PRICE FORBES is considered attractive. Other buying suggestions are LYLE SHIPPING, P AND O with MARLEY in building materials and TUBE INVESTMENTS in the engineering sector.

Cross Channel

Higher fares and increased capacity should see EUROPEAN FERRIES profits up from a 1971 forecast of £2.5m. to £3.75m. by 1973 according to **Fielding Newson-Smith**. Discussing J. COMPTON SONS AND WEBB'S transfer of its London operation to South Wales, **Tustain and L'Estrange** thinks that the move and a more stable working force should more than offset the short-term rise in wages. From Birmingham, **Murray and Co.** likes capital equipment maker WILLIAM BOULTON.

Finance and the family

Redemption of rent charge

BY OUR LEGAL STAFF

I have written to the agents to whom I pay the rent charge on my house and offered to redeem it for 10 years purchase and also to pay the vendor's scale legal fees. I have however been advised by the agents that their clients require 20 years purchase and also insist that I not only pay their legal charges but also pay a fee to their agents. As this appears to me to be contrary to the Law of Property Act of 1925 what action do you advise me to take?

You should communicate with the Secretary of State for the Environment, the successor to the Minister of Housing and Local Government, the successor to the Minister of Agriculture who is referred to in Section 191 of the Law of Property Act, 1925. On being applied to he can and will certify the redemption figure. The Section then contains provisions which will enable you to obtain a discharge on payment of that sum, whatever the owner does or refuses to do.

Default on a mortgage

The buyer of my previous house, to whom I granted a private mortgage, appears to have vacated it and is now two months in arrears. What should I do?

Doubtless the mortgage deed will have been so drawn that you are entitled to call it in when so many instalments have not been paid. You should do so, and then, if payment in full is not forthcoming, put the property up for sale as mortgagee. In this way you will be able to obtain repayment of the unpaid portions of the mortgage moneys.

Change of name by deed poll

Must a change of name be effected by deed poll? A deed was drawn up 5 years ago, but the requirements for enrolment were not carried out. Can the new name be enrolled now, to be effective from the date of the deed?

(a) No. If a person can persuade the world to call him "X", that will become his surname. The formality of the execution of a deed poll is simply so that there should be a proper record of the change in case any question hereafter arises—for example if "X" is left a legacy under his old name. (b) In fact, the deed could still be enrolled now, but apart from providing the world with clear proof of what has taken place, it would not really have any particular effect in law.

Growth bond in trust

If a guaranteed growth bond is bought with trust funds, could you please tell me what proportion would belong to the trust upon maturity and how much would go to the life tenant?

This depends upon the question whether the growth bond (which we assume produces no income) is an authorised or unauthorised investment for the trust. If it is unauthorised, the tenant for life will be entitled to income assumed at the rate of 4 per cent. per annum on the capital value, and the rest will be capital. If the investment is duly authorised, the whole increment will be capital. But in exercising their powers of investment in this manner the trustees ought to hold the balance between income and capital fairly, and if they invested in such a manner that overall the tenant for life was being treated unfairly, this would form a good ground for their removal.

Maintenance from abroad

Where, under a Court order, a husband pays his wife maintenance of £1,000 from a residence abroad, what does he do about tax?

Maintenance of £1,000 per annum under U.K. Court order, paid by a non-resident, will be paid under deduction of income-tax at the standard rate. The non-resident will under all circumstances pay the tax deducted to the U.K. Revenue, unless he has U.K. taxed income to cover the payment.

Administration of an estate

Where an administrator of an estate enters into a bond through an insurance company, does this imply that the company becomes ultimately responsible for the correct administration, and will supervise it? If not, who makes sure that the estate is properly administered? What happens if a will turns up when the administration is complete?

The administrator is primarily liable. If he defaults and has no money the insurance company as surety may be sued. The administration is not supervised. Those entitled under the intestacy will keep an eye on the administrator if they do not trust him and can ask for an inventory of the estate. If a will turns up the grant is revoked and persons benefiting under the earlier distribution must return anything they have received.

Support for a house

A terrace house next to one owned by my wife is, I understand, likely to be demolished and the owner is unco-operative. The outlet from the cellar drains runs under the party wall and into our outlet to the road. The water supply pipe also comes through the other house and the front guttering has a drain pipe fixed to it. (a) Must support be given to our party wall? (b) Can the next door owner be compelled to seal off his entry to the drains? (c) Must he provide a drain pipe and connection to the water supply?

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible. No charge is made for this service except in relation to investment matters.

(a) If the premises are demolished, so that support is removed, then the owner must afford sufficient support, and if necessary an injunction can be obtained in order to force him to do so. If, on the other hand, the owner simply allows the house to fall down, your wife's only remedy would be to enter on the premises and repair the wall sufficiently to afford the necessary support.

(b) No—the right of drainage still exists. But he can be injuncted from allowing materials into the drain which will block it.

(d) Yes. He cannot actively interfere with easements such as these without providing alternatives.

Intestacy in Scotland

I am the only son of my father, a Scot, who died in Glasgow intestate. He left an account of £400 in one bank and I believe of £1,000 in another, though the book is missing. I have two sisters, and one of them is refusing to sign a bank release. What do I do to get hold of the money?

Your father having died intestate, his estate falls to be divided equally between you and your sisters (the children of any predeceasing brother or sister taking a share their parents would have taken if they were alive). The person who takes over and administers and divides the estate is the executor, the appropriate person for that office being yourself as next-of-kin. In order to get a title to the estate you must receive confirmation from the Commissary (Sheriff) Court in Edinburgh. You must either go there personally or get a Scottish solicitor to do the work for you. You must detail the property to which you require confirmation and its value and on being confirmed you have the right to it. Thus, if you can trace the other £1,000, you would be able to deal with it without the missing bank-book and you would not require your sister's consent to deal with any of the estate.

Accumulating settlements

I understand that in the next financial year aggregation of minor children's income not derived from their parents will cease. (a) In this case, where income is accumulated will it be again possible for children on reaching the age of 18 to reclaim tax deducted during their minority up to the level of their personal allowances? (b) Will your answer apply to children who are non-resident?

(a) Section 228 Income Tax Act 1952 gave the infant beneficiary a right, when he became entitled to the accumulations, to recover tax by reference to his unusued allowances. By section 11 (5) Finance Act 1969 this right was withdrawn for income arising after April 5, 1969. This position has not been changed by the 1970 Finance Act. This means that no claim can be made under Section 228 Income Tax Act 1952 for income arising after April 5, 1969.

(b) Again, tax will be reclaimable only on income arising up to April 5, 1969. Where the income arose in a year in which the child was resident in the U.K., the full unused U.K. personal allowances will be available for that year. Where the income arose in a year in which the child was not resident in the U.K., U.K. personal allowances will still be available provided any one of the following circumstances prevailed: (a) the child was a British subject; (b) the child was resident in the Isle of Man or the Channel Islands. (c) the child was previously U.K. resident and is resident abroad because of his or his parents' health; (d) the tax treaty between the U.K. and the country of residence provides for this.

In this case there will be a restriction of the personal allowances if the child had other income in the year in question (section 227, Income Tax Act 1952, now section 27 ICTA 1970).

Insurance

Liability for accident

BY JOHN PHILIP

I HAVE just received a letter from a reader, posing a problem of mixed law and insurance, which I think is likely to be of interest to many owner-occupier readers who have "Home" insurance policies.

As I have recently explained, until the end of last year many insurers subscribed to the "Home" tariff and employed standard wordings in their policies. Moreover the independent companies and Lloyd's underwriters sold policies remarkable similar in scope and terminology. With the break up of the tariff, wordings are becoming more diverse, though all the alterations that individual companies have so far made have increased cover. Particularly is this so in the liability sections of Home policies where many insurers are now including cover for liabilities that arise not in connection with the ownership or occupation of one's home.

My enquirer says he has a policy couched in traditional terminology which provides cover in respect of "liability of the insured as owner and not as occupier of the buildings in respect of accidents in or about the buildings resulting in bodily injury and damage to property. . . ." He asks whether this policy protects him against any claim by his neighbour for damage to the neighbour's house caused by tree roots extending beyond the boundaries of his own land.

Claim

I must repeat that this is a mixed problem of law and insurance. By English and Irish law certainly and, I think, by Scot's law, a claim for damage in circumstances such as these lies in the first place against the occupier of the land whence the tree roots emanate—against the occupier, not the owner.

If they happen to be one and the same person, in law there is no problem though it is essential that any claim be made against him in his appropriate capacity. But if they are different persons then the occupier, depending on the terms of his lease may or may not be able to pass on any liability he incurs, while the owner out of occupation, if the claim be first made against him, may be entitled to avoid it entirely.

In the cover provided under Home policies, insurers recognise the differing legal incidence of ownership and occupancy by covering the owner against the liabilities he incurs as owner under their Home "buildings" policies, and by covering the occupier against the liabilities he incurs as occupier under their Home "contents" policies.

The two covers are thus mutually exclusive, so to have full protection against all claims in both his capacities, the owner-occupier must have insurance on both buildings and contents. As my enquirer reports having a buildings policy, he may be short of cover, unless he has also a contents policy.

Damage

Assuming the latter to be the case, there remains a difficulty. Home insurance policies normally protect the policyholder against liability in respect of accidents resulting in injury or damage — as in the words I have already quoted—or against liability in respect of accidental injury or accidental damage. The purpose of these words—"accidents" and "accidental"—is to protect insurers against having to meet claims for injury or damage which is deliberate or inevitable.

Since tree roots must inevitably grow outwards from the trunk for a distance that depends on the tree's nature and size, can it be said when a tree root causes damage to the foundations of a neighbouring house that this is damage resulting from an accident?

In 1963 a three cornered dispute, about oak tree roots, between two neighbours and a Lloyd's underwriting syndicate, was tried in the Queen's Bench Division of the High Court by Mr. Justice Paull. The facts and judgment in *Mills v. Smith*, for those who want more detail, are reported in [1963] 3 WLR 367 and 2 All E.R. 1078.

S. had an oak tree 25 feet from M's house. The roots extended and withdrew water from M's land so that the soil under his house crumbled and the foundations began ... lapse. As a matter of law ... judge found S. liable to ... damages to M. He then had ... consider whether S. was enti... to the protection of his Lloy... household policy which provi... cover "for all sums which ... assured as occupier may be ... legally liable for damage ... property caused by accident."

Underwriters argued that ... damage had been brought ab... by the natural growth of ... tree and its natural desire f... water and that therefore ... damage had not been "caus... by accident." Describing th... argument as "formidable," ... judge nevertheless decided ... underwriters had to provi... protection against the claim.

His opinion was that ... words "caused by accide... meant caused by unexpe... misfortune and further ... whether the misfortune ... or was not unexpected mu... judged from the victim's p... of view. (On this view ... intention or deliberation of ... wrongdoer, indeed his w... state of mind, is immaterial.)

Then considering the pa... cular facts of the claim, ... judge said that there must h... been a particular moment ... time when the foundations ... M's house began to crack. ... that moment, viewing the pr... lem from M's side of the fe... there was an "accident" wit... the meaning of S's policy. ... M got his damages paid by ... insurers.

Opinion

Whether or not you ag... with the judge's reasoning ... now beside the point, for und... writers did not seek the opini... of a higher court, and so fa... I know since 1963 all insur... companies and Lloyd's und... writers, have made a practi... of accepting this kind of cla...

However, some mode... liability policies, particul... those covering commercial ris... provide what insurers call "n... accident" cover. That is to s... they insure legal liability f... injury or damage subject ... stated exclusions, such as ine... able consequence. If insur... begin to cover household ris... in this way there could be ... different answer to the questi... —is the liability covered?

TAXATION AND THE INVESTOR

Investing overseas

BY JOHN CHOWN, TAXATION CORRESPONDENT

EARLIER this month the International Fiscal Association held its annual Congress which this year was in Washington. Each year two topics are chosen for discussion.

This year one of the topics was international investment trusts, and I found myself a member of the special discussion panel dealing with this subject.

The main intention was clear from the start. We all wanted to achieve "neutrality" for investment trusts. In most countries with a developed capital market, tax laws have been adjusted so that resident individuals investing through *domestic* investment trusts, unit trusts, or mutual funds which in turn invest in *local* shares, are in substantially the same tax position as if they had bought shares directly.

There are inevitably anomalies resulting from the complexities of tax systems. For instance, in the U.K., unit trust and investment trust holders tend to pay a little more capital gains tax, but a little less income-tax and surtax, than if they had invested directly.

It is much less simple in the case of investment trusts with an international portfolio and which have shareholders throughout the world. The ideal, already resolved on at the 1962 Athens Congress and discussed in the Segre report on European capital markets and various EEC Commission papers, is that a German investor—for instance—should be in much the same position whether he invests directly, or via investment trusts in Germany, or in London, Edinburgh or Amsterdam, basing his choice purely on the suitability of the investment strategy for his needs and the competence of the investment management. He should not be penalised or given any special privileges because of the peculiarities of the tax system.

Theoretically one method of achieving neutrality would be by "transparency." The shareholder would be subject to tax on the income and gains accruing to the investment trust under the laws of his own country. He would be entitled to claim the benefit of reduced rates of withholding tax on dividends from any country with which his own country of residence had an appropriate double tax agreement.

All of us had long since decided that this was an impractical approach. It is far too complicated. The whole point of putting your money into an investment trust is that you get the benefit of spread without having to watch a large number of individual securities. On the same grounds you want to avoid having to prepare a detailed tax computation, especially on international investments.

Simple

The basis of the final resolution was simple and, in an ideal world, neat. To qualify for special treatment, an investment trust, unit trust or mutual fund would have to be fully regulated in its country of incorporation to protect investors against fraud, exploitation, and the kind of insider dealing that is profitable to the managers rather than to the public investors. This kind of protection is afforded by the SEC in the U.S. and the DTI in the U.K.

Such an investment trust would then have to distribute a high proportion of its dividend and interest income to shareholders in such a way as to ensure either that the individual shareholders were declaring the income for tax purposes, or were suffering a stiff withholding tax at source. Investment trusts meeting these conditions would be exempt from tax on income and capital gains both in their country of incorporation and in any country from which income was derived.

This requirement would ensure that the income will, in fact, be taxed in the country of residence of the ultimate taxpayer. In the same way capital gains would be caught in the country of residence of the taxpayer only when the shares in the investment trust itself are sold.

Inevitably an international conference tends to pass resolutions seeking to impose a multilateral solution on Governments. This is unlikely to be practical politics in the real world. What a conference should perhaps do is to encourage individual countries to enter into bilateral arrangements.

Most countries want to encourage foreign portfolio investment, but they do not necessarily want to forgo a reasonable tax revenue from the dividends paid out in such investments.

The usual compromise is to impose withholding tax of about 30 per cent., recognising that in most cases this will be all the tax that will ever be collected. This rate is reduced, typically to 15 per cent., by double tax agreements between pairs of countries.

It is a condition of the reduced rate that the dividend will be subject to tax in the recipient's own country of residence. There is sometimes a choice between accepting 30 per cent. rate as a final tax or invoking the agreement, paying less tax at source but suffering tax in another country.

It is sometimes possible (though increasingly difficult) to set up investment trusts which can take advantage of reduced rates of withholding tax without having anything like the corresponding tax charge in the other country. This is particularly resented by the American Revenue for obvious reasons.

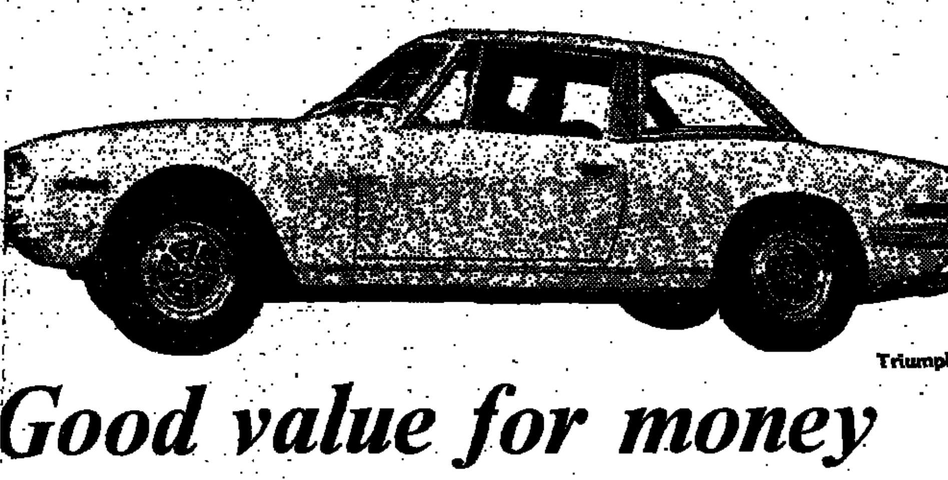
It seems to me that there is a more practical approach to this problem. We should recognise a distinction in concept between international investment trusts (and other investment intermediaries) designed to mobilise the savings of small investors, and those deliberately set up to minimise tax charges. To prevent avoidance some countries might wish to renegotiate double tax agreements to deny reduced rates of withholding tax where dividends are paid to investment companies which do not distribute.

The second stage would be for countries wishing to encourage non-residents to invest in their investment trusts, unit trusts, and mutual funds to alter their legislation so that these could be set up to take advantage of the facilities just described. It is particularly important that there should be an exemption (or at least a flow-through procedure) for capital gains.

Foreign investors in Netherlands investments companies do not suffer capital gains tax either directly or indirectly on switches by the company, although they may pay tax under the laws of their own country when they finally sell. United States investment companies can either pay capital gains tax or distribute the gains in cash or scrip tax free to the foreign investor. Similar proposals have been made for Canada.

Foreigners are virtually precluded from investing in U.K. investments trusts and unit trusts because they pay capital gains tax which would not be borne on direct investment. This restriction on a free international capital market should be removed.

Motoring



Triumph Stag

Good value for money

BY JAMES ENSOR

[AF]TER taking the Triumph [Stag] on an extended road test [thr]ough France last month, I [am] more than ever convinced [that] it is by far the best grand [tour]ing car on the British [mar]ket at its price. Its only [riva]ls, in the convertible [mar]ket, are imported cars [whic]h, though often good value [in t]heir domestic markets, are [man]y more expensive than the [Stag] in Britain.

[Th]e Mercedes 350 SL, for [exa]mple, is a more robust and [perh]aps more solidly engi[neer]ed car than the Stag. But [in] Britain it costs well over [£7,0]00. The Porsches which [offer] the same blend of per[form]ance and relaxed high-[spee]d cruising as the Stag [star]t at just under £4,000. The [BMW] 3.0 CS coupe, which is [muc]h faster than the Stag but [basi]cally the same type of car, [cost]s over £5,000, and the Alfa [Rom]eo 2000 Spyder Veloce, [whic]h is not yet on sale in [Brit]ain, is likely to cost at least [£3,0]00.

[In] short, Triumph could [prob]ably add £1,000 to the [pric]e of the Stag and still be [offer]ing better value for money [than] most of its rivals. This [poin]t is unfortunately confirmed [by] the fact that the waiting [list] for the limited amount of [prod]uction allocated to the [hom]e market have already [stret]ched out towards a year [in le]ngth.

[A] convertible or hard top car [with] a little more performance [and] panache than the quality [salo]ons, yet with room enough [for] two children in the back and a little luggage in the [boot] is obviously a formula [whic]h appeals to many people. [Buye]rs have been deterred in [the p]ast by the belief that con[verti]bles are either dangerous [or n]oisy, heavy cars with rough [susp]ensions.

[Th]e Stag is neither. The roll-bar, fitted to conform to [Ame]rican safety requirements, [shou]ld make it as safe as a saloon in the relatively unlikely event of a roll-over accident. It also gives protection if one should run into the back of a truck, an accident in which some open sports cars can be dangerous.

The Stag, despite its family connections with the TR6 which has a well-founded reputation as a *heavy and rough-and-ready* sports car, is a docile and well-behaved car. The power steering makes it so light to handle that it is easy for a wife to drive. The gearchange is light and direct and the clutch no heavier than on most saloons. The suspension is inevitably a little harder than the most polished luxury saloons, since Triumph's designers chose not to compromise the roadholding with too soft a suspension. But it is still a most comfortable and relaxing car over rough roads—a far cry from the traditional British sports car.

One of the best points about the Stag is its excellent driving position and controls which follow the established Triumph pattern. Every important control is ready at one's fingertips, the instruments are easy to see, and one neat segmented light warns of any problems with choke, handbrake, fuel or oil as well as reminding one when the flashers or main headlamp beam are in use.

These excellent controls, which I think rank with BMW's as the best-designed in the world, have a much greater effect than one might think on one's driving enjoyment. With everything where it should be, one can concentrate on driving the car. The electric windows and the overdrive—with a switch conveniently positioned in the gearlever—serve to enhance one's feeling of relaxed safety at speed.

Although the power steering is a little less sensitive than a manual control, it comes into its own at speed when the Stag can be controlled with a slight movement of the arms and with little effort. The excellent Michelin XVR tyres, now supplemented with optional Avons, give the car good roadholding in wet or dry conditions—though they do transmit a certain amount of road noise.

The first Stags off the production lines certainly suffered from some of the teething troubles which are bound to affect cars as novel in their design as this. The model I have just tested, which was a more recent product, seemed to suffer from fewer bugs. The most annoying one was that it leaked profusely, under the dashboard, during heavy rain—a fault that has been common in other Leyland sports cars.

In the early cars it was difficult to change from second to third gear smoothly, but this defect seems to have been rectified on current models. It is still difficult to put the soft top up again although fairly easy to take it down. The hard top creates few problems but it is heavy to lift on and off.

I am not sure that the paintwork and chrome finish of the Stag quite matches that of its £5,000 Continental rivals. But apart from this, it is every bit as enjoyable to drive and while it lacks a little of the performance of the out-and-out sports cars or the most expensive grand tourers, it does provide exhilarating motoring at an unmatchable price.

SPECIFICATION

ENGINE: Three-litre Vee-Eight producing 145 b.h.p. net.

GEARBOX: Four speed manual with overdrive.

DIMENSIONS: Length 14 feet 6 inches. Width 5 feet 4 inches. Height 4 feet 2 inches. Kerb weight 2,800 lbs.

PERFORMANCE: Top speed 115 m.p.h. Acceleration to 60 m.p.h. in 11 secs. Average fuel consumption 22-23 m.p.g.

PRICE: Soft top £2,177. Hard top £2,227.

Golf

Best of the season

BY BEN WRIGHT

WITH the excellent Double Diamond tournament approaching its climax in Staffordshire, it is perhaps a little premature to start looking back over a momentous season. But the fact that three Ryder Cup team members, Tony Jacklin (England), Harry Bannerman and Brian Barnes (Scotland) are missing from the new Allied Breweries' golfing venture is the best reason for applauding the recent appointment of John Jacobs as the tournament director-general—or whatever the Professional Golfers' Association cares to call him—as one of the most notable happenings of 1971.

The title means little. But the fact that someone has at last got a free hand to pull up the pathetic PGA by its bootlaces is all-important for the future of the British professional circuit. If Allied Breweries has any doubts about the success of its splendidly original concept—any tournament that brings back match play must surely be successful—they can rest assured that Jacobs will guarantee the appearance of Jacklin, Bannerman and Barnes in 1972.

Mayhem

Jacklin's 86th position in the final 1971 British order of merit influenced the England selectors, in their wisdom, to overlook him. If he had been similarly passed over for Ryder Cup selection there might well have been mayhem in the streets of Scunthorpe. And it is high time that the Scottish PGA's frivolous attempts at home rule, which allowed Bannerman and Barnes to be omitted from a Scottish team because they did not finish in the top six in the Scottish order of merit, was stamped up on. Jacobs, who once held the record for the largest feet on the professional circuit, is ideally qualified.

British tournaments can ill afford to start without three of their most attractive performers, particularly when another two Ryder Cup players, Peter Oosterhuis and Maurice Bembridge had already been lured away to Australia, another situation Jacobs will not allow to be repeated.

But back to more pleasant aspects of a season dominated more than ever by youth. In trying to assess which was the most critical golf shot struck on behalf of Britain in both the Walker and Ryder Cup matches I have to give my vote to Dr. David Marsh. A question mark had always hung over Marsh's resolution in a tight finish. He had been selected for the 1959 Walker Cup match, never got a game, and proudly refused to wear his blazer for 12 long years until he actually played against the Americans in May 1971 at St. Andrews. In the finish we led 12-11, and the result hinged entirely upon Marsh's clash with Bill Hyndman, whose behaviour and method both savour of class.

Marsh appeared to be justifying all our fear when he took seven at the long 14th hole to allow the American to get back to square. But to his great credit the doctor won the 16th and, with thousands watching and hoping, many clinging precariously from the chimney pots, Marsh struck a superb three iron shot to the heart of the 17th green at the infamous Road Hole to finish off his man. I do not suppose a British amateur golfer has ever been subjected to quite such fierce pressure.

The most critical stroke of the year played by a professional in America was, in my book, fittingly played by triple champion Lee Trevino in the U.S. Open championship at glorious Merion. Trevino had started the last day four strokes behind the prodigious American Walker Cup youngster Jim Simons, runner-up in the British Amateur championship, and two behind Jack Nicklaus. When he strated to make his move in the final nine holes Trevino gambled on a big four iron shot straight at the stick over the big bunker to the 12th green. The pin was tucked in so close to the sand and there was so little room in which to manipulate the ball that the gamble hardly seemed feasible.

But Trevino's ball pitched 15 feet past the hole on the up slope, bit fiercely and screwed backwards on the second bounce. It rolled inch by inch down the hill as the crowd's roar reached crescendo and it stopped but nine inches from the cup. That birdie really set Trevino on the path to his glorious treble.

Ironically the most critically damaging shot I saw all year had to be one of the many played by the enigmatic Nicklaus, who also produced a vast collection of strokes that for sheer controlled power no-one in the world could match. At the 5th hole in his last round at Merion, Nicklaus took his three wood for safety from the tee. The fairway slopes down considerably from right to left here with thick rough and a winding creek meandering all the way from tee to green at the base of the slope. The tee shot has to be cut, or held up into the bank to stop the ball skittering down into trouble. Nicklaus hooked his round his neck into the water, took six, and thereafter was always struggling to stay on terms with the rampaging Trevino. In all fairness he played the 18th hole, with the most claustrophobic drive I have ever seen, quite superbly when he knew he had to make a par four to tie.

Rhythm

The most devastating stroke I saw played by an amateur this year was struck by Warren Humphreys in his pitifully one-sided victory over his Royal Mid-Surrey club mate John Davies in the final of the English championship at lovely Burnham and Berrow. From the left rough at the 13th hole Humphreys, then three up, struck a glorious three iron shot into the teeth of a strong breeze with a beautiful slow rhythm. The ball flew 200 yards and stopped less than four feet from the hole—four up.

The putt of the year was Tony Jacklin's monster across the 18th green at Fulford, York, which earned him his sudden death play off and ultimate victory over Peter Butler in the Benson and Hedges tournament. And thereby hangs a tale. Butler promptly asked Jacklin to split the prize money before the play off began, unwisely hinting that Jacklin had less need of it. Jacklin, considerably aggrieved, adamantly refused, quite rightly saying that only by winning had he achieved that pleasant state of financial comfort. Full marks to Jacklin.

The worst shot I saw hit was almost missed by the Spaniard Ramon Sota during the Lancome Tournament in Paris last weekend. Sota hit a horrible flat hook that flew more than 100 yards off line from the 8th tee. I almost forgot to mention Vardon Trophy winner Oosterhuis—undoubtedly Britain's golfer of the year. It is sufficient to say of him that he emerged in 1971 as the most exciting prospect in the world, and even put Jacklin in the shade—at least for a while.

Bridge

Playing for penalties

BY E. P. C. COTTER

THE EXPERT Bridge player is always looking for the chance to double and penalise the opponents in low-level contracts. At rubber Bridge, or when IMP scoring is in force, greater liberties may be taken in doubling one no trump or two of a minor suit, because even if the contract is made, the bonus points for Game are not at stake. Let us look at this deal from an international team match:

W.	N.	E.
	♠ 9 8 5 4	
	♡ K 5	
	◇ J 9 7 2	
	♣ 7 5 2	
♠ 7 6 3 2		♠ A Q 10
♡ A Q 4 3		♡ J 8 6 2
◇ 6 4		◇ A 10 8 5
♣ K 10 3		♣ 8 6
	S.	
	♠ K J	
	♡ 10 9 7	
	◇ K Q 3	
	♣ A Q J 9 4	

With both sides vulnerable West dealt, and after two passes East opened the bidding with one club, South said one no trump, and West's double brought the auction to an end. As I have said before, I am not greatly in favour of the one no trump overcall at any time, and on this occasion, when East's one club is artificial, I would pass without hesitation.

Against the doubled one no trump West led the three of hearts, dummy's King won, and the club finesse lost to the King. West made two heart tops, and East took his Knave, South throwing the small diamond. The fact that the declarer had discarded a diamond, although he must have the King and Queen, made the position clear to East, who played the Ace of spades and continued with the Queen when South's Knave fell. This set up the seventh defensive trick, but it was a bold double, as East-West have only 20 high card points between them and no five-card suit. The 200 points that they collected was not of great significance, as the opposing East-West in the other room scored 110 for making two hearts, but at match points this would have meant a top.

Here is another deal from the same championship:

W.	N.	E.
	♠ Q 10 2	
	♡ A Q 2	
	◇ Q J 9 6	
	♣ J 6 4	
♠ A 6		♠ K 8 5 4
♡ K 8 6 3		♡ 10 9 7 4
◇ A 10 7 5		◇ K 4 2
♣ K 7 3		♣ Q 9
	S.	
	♠ J 9 7 3	
	♡ J 5	
	◇ 8 3	
	♣ A 10 8 5 2	

Both sides were vulnerable when North dealt, and West opened the bidding fourth hand with one diamond. East's response of one heart was raised to two hearts by West, and this was followed by two passes. South decided to compete with two spades, a most dubious procedure, and East's double for penalties, with a weakish hand and no liking for the probable heart lead from his partner, was in my opinion little short of madness.

Against the contract of two spades doubled West led his fourth best heart, which ran to the Knave, and the declarer at once returned the suit, finessing the Queen and discarding one of his losing diamonds on the Ace. Now he took an inspired view of the club suit, leading the Knave from the table, which was covered by the Queen and Ace, and returning the ten to pick up East's nine. West ducked this trick, but took the next club lead and then played Ace and another spade. The declarer played dummy's Queen on the six, but East was clever enough to duck—if he wins with the King, the contract can be made. As it was, because he was locked in dummy, the declarer had to go one down.

South could have been more careful with his trumps. He ought to have unblocked by playing the Queen of spades on West's Ace. This would have nullified any ducking manoeuvre by East and ensured entry to his own hand, in order to play his club winners and so weaken East's trumps before East could get a force on him.

Travel

Tale of two cities in Norway

BY PAUL MARTIN

THE SPEECH of the men and women of Bergen is soft and lyrical with, perhaps, more than a hint of the mists and the legends of the adjacent fjord country in their lilting inflections. The people of Oslo appear, to the foreign ear, to adopt a more pragmatic diction.

This is just one reflection of the contrasts between Norway's two principal cities. Throughout the years there has been intense but *friendly rivalry* between Oslo, the capital, and Bergen proclaiming itself as the capital of Western Norway.

While the first-time visitor is unlikely to be concerned with these purely domestic considerations, an off-season Bergen Line inclusive tour is an excellent introduction to Norway. It cleverly combines an eye-catching glimpse of the country with a first taste of the Norwegian way of life on board SS Leda, which operates the year-round 19-hour Newcastle-Bergen crossing.

Leda, although now nearly 20 years old, was purpose-built with this crossing in mind and the 7,000 ton fully stabilised ship is a magnificent sea boat designed to maintain a regular schedule, whatever tricks the sometimes temperamental North Sea may decide to play. *Even so, a rough crossing* is the exception and I have personally experienced those proverbial mill pond conditions in the depths of winter.

Leda, catering increasingly for the mini-cruiser, is very much more than a long distance ferry. After sampling a quota of drinks at shipboard prices followed by an excellent dinner, you can dance the evening hours away before she ties up in Bergen next day.

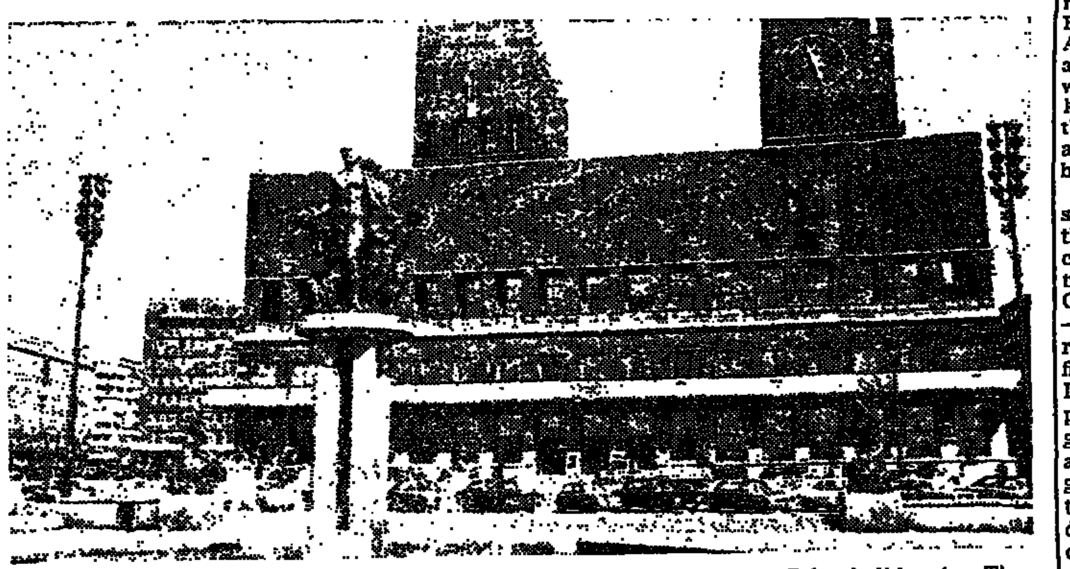
The shorter of the two tours gives you a full afternoon and evening in Bergen before leaving next day to travel the length of the Bergen Railway to Oslo.

Irrespective of season, Bergen offers the fascination of the old Hanseatic warehouses down by the quayside, and at Mount Floyen, easily reached by funicular from the town centre, a spectacular viewpoint from which to look out beyond the city as it spills over the seven encircling mountains and on to the fjord below.

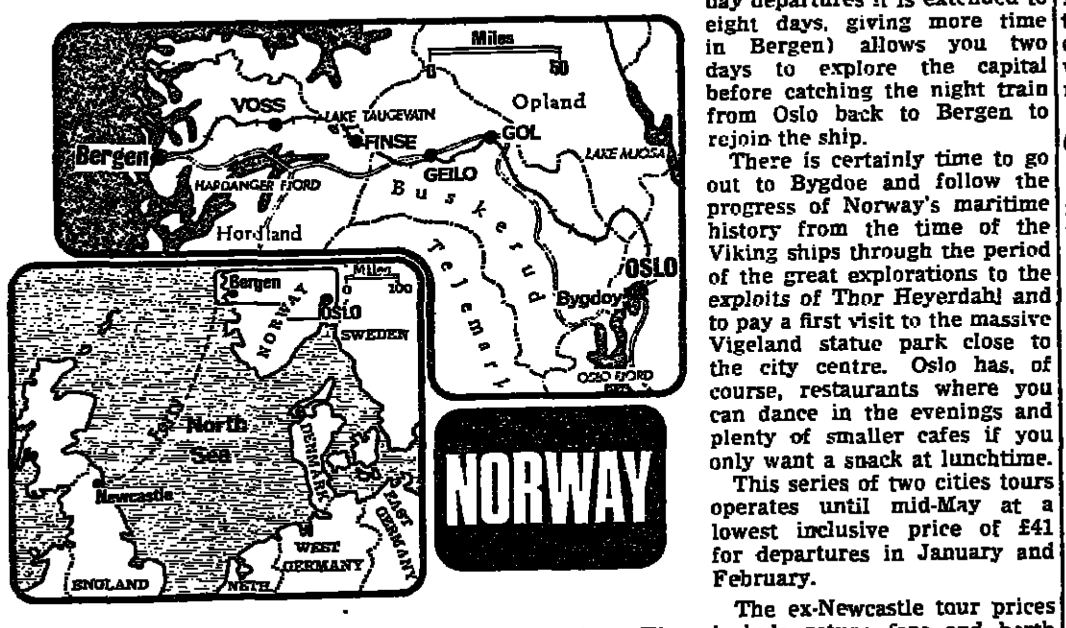
The highlight of the trip is *the 300-mile train journey from* Bergen to Oslo. The new carriages have aircraft-type seats in well ventilated and heated carriages in both first and second class and there is a service of refreshments or full meals in the restaurant car.

You have your own seat in the stalls from which to watch a continually-changing panorama that no film, on the widest of screens and incorporating the newest technical developments, could ever duplicate. After skirting the Sorfjord and passing the popular winter resort of Voss, you reach strange, savage and yet utterly breathtaking scenery *as you continue to climb* beyond the treeline to Taugevatn at over 4,260 feet. Soon afterwards you pull in to Finse station to look out, past the hotel and the memorial to Captain Scott, who trained here before his expedition to the South Pole, to the sheer mass and majesty of the Hardanger glacier.

Olso is a city of a single street and the railway station, where you arrive, just happens to be at one end of it. *Within the* length of Karljohansgate are the principal shops and hotels, the Parliament Building, the old University centre, the National Theatre and, on a *natural incline* overlooking the capital and the fjord, the Royal Palace.



Oslo City Hall



This 7-day holiday (on Thursday departures it is extended to eight days, giving more time in Bergen) allows you two days to explore the capital before catching the night train from Oslo back to Bergen to rejoin the ship.

There is certainly time to go out to Bygdoe and follow the progress of Norway's maritime history from the time of the Viking ships through the period of the great explorations to the *exploits* of Thor Heyerdahl and to pay a first visit to the massive Vigeland statue park close to the city centre. Oslo has, of course, restaurants where you can dance in the evenings and plenty of smaller cafes if you only want a snack at lunchtime.

This series of two cities tours operates until mid-May at a lowest inclusive price of £41 for departures in January and February.

The ex-Newcastle tour prices include return fare and berth on SS Leda Newcastle-Bergen, accommodation on a bed-and-breakfast basis in Bergen and Oslo and the return rail journey from Bergen to Oslo with a sleeper provided for the overnight journey back to the west coast. British Rail offer reduced train fares from London and many other centres to Newcastle.

Full details, including those of supplements payable for superior accommodation on board and private facilities in the hotels used in Bergen and Oslo, are available from the Bergen Line, 21/24 Cockspur Street, London S.W.1.

Musical hour

When Louis Benjamin became managing director of Pye Records, which is part of the ATV group, he knew nothing about records. But he did know what he wanted; and he also knew, from long experience of theatre management in London as well as in the Siberias of the business, what people wanted.

Then, because LP discs were so expensive, he decided that the public must be offered cheaper LPs which were nevertheless of good quality. The Golden Guinea brand was born —records at 21s with "second-rights" artists or re-cuttings of first-class older discs. Now, Louis Benjamin's idea is that people can afford £1.49 for a good stereo LP. But—and it is *a big but to him—they must* get value. Value, indeed, is all too often a missing element. A devil of a lot of LPs to-day, costing around £2.25 to £2.40 unless discounted, run for too short a time. I have actually timed one that gave 16 minutes on one side and 12 on the other: while 17 to 18 minutes is quite normal.

Clever boffins

The Pye boffins, nagged by a non-scientific Mr. Benjamin, willingly took up his challenge to produce stereo LPs that play a full 60 minutes. Not *necessarily an exact 30 minutes a* side, but a full 60 minutes. A £25,000 cutting Pathe, a lot of trial and error, and the job was done. Golden Hour records were born.

Two weeks ago, the first collection came on sale. I have personally timed most of them. They are all the super value that Benjamin wanted. Astronomic recording costs have been cut out, and artists are used who know how to record within a decent time, not needing days.

Some of the records are re-cuts of old pressings. But the quality is good, and I have played it on perfectly ordinary equipment (*which is the way* Louis Benjamin listens since he is so determined that Pye's music shall be for everyone and not for the specialists alone). I cannot list the whole *of the first collection*. Let me just repeat that the name is Golden Hour; that they started selling a couple of weeks ago; and that there is something for everyone. The Planets, which does not run for an hour, is on the same disc as Sibelius' Finlandia and Prelude to The Tempest—by the London Philharmonic under Sir Adrian Boult. Value? You see what I mean?

Overtures, another Golden Hour title, are by the Hallé, under Sir John Barbirolli, *Leonora, Hebrides, Force of* Destiny, Magic Flute, Tannhauser and Semiramide. Chopin is by Iso Elinson. Then there are Donovan (with 20, yes 20, numbers); The Kinks (still 20 numbers); hits of Jones and Humperdinck (but not by this pair, although their style is captured); and so on. Sounds Orchestral and Stereo Showcase are recommended for winter evenings since they can be either listening or semi-back*ground music. The Stereo Show*case is music with place names in the title, a kind of armchair world tour for the ear.

If you have stockist difficulties, Pye Records is at ATV House, Great Cumberland Place, London, W.1.

And cassettes

While on the subject, cassette players do not have to forgo value. The old Marble Arch name is now in the tape world. Marble Arch cassettes are £1.43 (sometimes less) as against the £2.30 to £2.60 of so many labels.

The Marble Arch brand is not packaged in those compact little transparent plastic boxes. Money is saved by putting them in cardboard container packs on display cards which give all the information. Still, with cassette wallets, container cases and the like now proliferating, that's no drawback. I'd rather have a good long play as I drive or listen, for less money, than the smart package. After all, I can still get a lot of my favourites on Marble Arch, although Jupiter (*from the Planets*) does make me drive that much faster. Do you drive in time to music? A bad habit. Marble Arch is from Precision Tapes, and is also in most shops. The address, but not for buying them, is 58 Dean Street, London, W.1.

Cassette Library

Long distance drivers must get awfully tired of having only one or two cassettes, yet feel disinclined to buy more. For them, and for others, there is a Cassette Rental Service. It costs £1.50 per cassette for three months; £2.40 for six months; and £4.40 for 12 months. There is also a £2 deposit per cassette, refundable when the cassette is returned.

You post off your selection from the long list sent with your registration cards. Get your order in by the 25th of each month, and the replacements will be posted on the 1st of each month. Subscribers with six and 12 month agreements can get additional casettes at 40p a month rental (plus £2 deposit) for holidays, parties, etc.

Cassette Rentals is at Marco House, 289-293, Regent Street, London W1R 8BB.

How to spend it

I suppose Gannex will long be remembered as the stuff that Harold Wilson's coat was made of. Well, Gannex is, as most people now know, a lot more versatile than just a coat fabric. Here it takes to travel bags. I can't call these "luggage." because they are so light and so versatile that the heavy term seems somehow wrong. The man's bag in this picture is like the now well-known "Executive Flight Bag." It is big enough to hold everything for short trips, yet handy enough to slide under the aircraft seat and so avoid that baggage claim wait at airports. The outside, zipped pockets (one large and two smaller) are so useful for the things one needs to get at without disturbing the middle section. In this, clothes have been neatly packed since the bag opens flat to allow one to do just that. The big, outer zip is locked. Flaps neatly hide the ends of the centre zip.

The Ladies Tote Bag is another you could carry with you. It is very well finished. The smart-looking buckle is a quick-release catch, which makes it very easy to get at the hidden passport pocket. There is, on one side, an outer, unflapped pocket for the boarding pass or the odd, folded newspaper or magazine. The handles are just right—long enough to enable one to slip the bag over one's arm and short enough to obviate scraping the bag on the floor as one carries it long-armed, as it were.

Both are in black Gannex, with yellow Mayday band around the ladies' bag for quick identification. Both are surprisingly light and easy to carry. Gannex wears well, is washable outside, and is hard-wearing. The man's case has two hangers as standard fitting. It measures 21 by 13 by 9½ inches. The Ladies' Bag is 17½ by 14 by 5½ inches. They cost, respectively, *£16.95 plus 36p for postage, etc., and £12.95 plus 36p. The address is Wentworth and Co., of 51,* Brompton Road, London, S.W.3.

and more by POST

Sheila Black

Nicely matched

Satin-finish, personalised embossed with your name, the name of your firm, house or anything you fancy. They are back again, after a year's absence while the supplier streamlined his operation to popular styles. I should explain I'm talking about book matches.

There are now five styles for names (not more than 13 letters) and six for initials. They cost £1.10 for 25 (plus 8p postage); £1.90 for 50 (plus 16p); and £3.40 for 100 (plus 32p). I am sorry about the high postage, but regulations insist that packing be in special foil-lined boxes. Even so, they are cheaper than in shops and stores. The satin finish has a lovely sheen, and the colours are red, blue, and black. Type styles, etc., from Constructual Services, Shanakill House, Tilehouse Lane, Denham, Middlesex.

"Oh, you beautiful Victorian doll" is the only way to describe the curly, dolly drawing on a new pillowcase from Miracles. Remember these pillowcases from last year? With the Purple Bear, Turquoise Owl, Bottle-Green Sparrow, Bright-Red Lion, Tangerine Mouse, Bitter Chocolate Cat pillowcases? They sold like a bomb and readers were ordering more right up to Christmas week.

The old friends are still there, and children are still cuddling animal pillows. The signs of the Zodiac are still there, too, all in black and white only.

Now comes Sepia Victorian Doll. Two or more of her would grace any bed. I always make beds with pillows—plenty of them—lying outside on the bedspread, like cushions. This means one has to buy pretty pillowcases, or plain ones in lovely colours. It looks neater than lumped-up bedspreads over pillows—to me, at any rate. That digression is less digressive than you might imagine. I was just thinking that Victorian dolls would look great in a neat row, lying right way up (with the pillow the unusual way round). Use as many as it takes to cover the whole width of the bed.

The case is of 100 per cent. pure cotton and the design is silk-screened by hand, using colour-fast, non-toxic dyes. Each pillowcase is individually packed and costs 65p. A set of four costs £2.40. Delivery is up to eight days. The address is Miracles Design, of Gaywood, Brewers Lane, Near West Tisted, Alresford, Hants. Privett 206.

Drawing by Shirley Davien

Gourmet Grays

Grays of Worcester, whose list of gourmet foods in cans and other packs always solves a few Christmas gifts, especially to people abroad, is now selling a really lovely Green Paynsley Jar with an anemone design. It is that rounded ginger jar style, with the smooth stopper that comes down over the mouth of the jar, but it is filled with 1 lb of a very fine, subtle blend of Assam and high-grown Ceylon tea. It costs £4 (£5.30 to America and Australia), etc.

Grays' game pie filling is a good idea—each tin has a blend of game meat canned with stock and wine to cover with your own pastry. A 13-ounce tin is £1.10 and a 3-lb tin is £2.50. The Quenelles are good and so is a newcomer to Grays' own range, now considerably enlarged. The latest is Whole Smoked Pigeon in Wine Aspic. It would be equally good cold, but my tasting panel of two ate it hot, and said it was delicious. Grays' catalogue comes from Orchard Street, Worcester WR5 1YR. This really is a good list, with exotica like pickled figs, DIY Pizza packs, and even a section of fresh game and poultry sent fresh from producers, etc. A brace of oven-ready pheasants cost £3.05, for example. Pates and fruits and a deliciously fruity Scotch Black Bun are worth considering, too.

Help babies

Spina Bifida and Hydrocephalus babies and children do need help. I know millions do, with different complaints, and only wish one could mention them all. A new stereo LP disc brings together material given by artists and record companies—Clodagh Rogers, Lovelace Watkins, The Sweet, Frankie Vaughan and Des O'Connor. It costs 99p, unless you wish to add a donation, from Spina Bifida Records, PO Box 6, Kettering, Northants.

Pot lids by post

Pot lids in themselves seem to me a pretty esoteric thing to collect; and, when you start talking about pot lids by post, it all seems even more unlikely. But that is what one antique shop in the Midlands is offering. Beckford Antiques, of Beeches Walk, Sutton Coldfield, in Warwickshire, have a complete mail order catalogue of nothing but "fine quality" pot lids. Each lid listed has a title, a reference number and a rating indicating its condition. Prices range from about £12 to £50, and Beckford will let you have them on seven day approval against receipt of a cheque. Some of the lids have extra descriptions, too. Garibaldi, it seems, has a tiny chip on one edge.

In addition, Beckford's send out a newsletter to customers keeping collectors up to date about the latest trends in what appears to be a thriving market, and giving details of the kind of prices pot lids are fetching. They also supply reference books on the subject by post like the "Pictorial Pot Lid Book," described as the "bible" of pot lid collecting (£4.75 by post).

Unfortunately none of us has seen any of the pot lids sold by Beckford, as their letter only just arrived; but their newsletter and catalogue are so helpful it seemed a pity not to mention them. (Personal callers are advised to phone 021-355-4000 before visiting.)

Barnardos

Dr. Barnardo's mail order catalogue now includes no fewer than 450 gifts ranging from a meat thermometer to children's games. As well as all the usual mail order items like watches and slippers, Barnardo's is also offering a Bonsai tree set for £1.45. And if you can't make up your mind what to give, there is a Dr. Barnardo gift voucher so that friends can choose their own gifts from the catalogue. (Barnardo Publications, P.O. Box 20, Tanners Lane, Barkingside, Ilford Essex.)

Well penned

The personalised ballpoints are perennial favourites, nice to give and get at low cost. Four Platignum, retractable, refillable ballpoints have changed colour slightly this year. The green is dropped, so that each plastic wallet holds two blue, one red, and one black pen.

Each set is stamped with your chosen name or housename in silver leaf. For a really long name, give initials and surname—in block letters, please, when you order. The cost is 40p the set of four, in case, including p and p. Cheques payable to The CWSMHC (use the abbreviation which stands for City of Westminster Society for Mentaly Handicapped Children), P.O. Box No. 701, London, W.3.

Jackson's list

Jackson's of Piccadilly is now doing a gourmet food catalogue—1p by post and 10p for the wine list. Free to personal shoppers. The address is 171-172, Piccadilly, London, W.1.

Calling all collectors of the "Heritage of Great Britain" medals. Shaw (see the obverse side above, from Pygmalion), Dickens, Byron, Johnson, and Shakespeare, have now been added to the list in the third set. These medals are of beautiful workmanship, with the images in high relief and a high-quality proof finish.

There are a few sets available in gold, still at the old price based on $35 per ounce. The Medal Club guarantees the cost of the complete series, even if the gold content by itself costs more than the medals, until there is an official change in the price of gold. But there are only a few sets left, so gold-diggers will need to be sharp off the mark. Address for all details of these, the silver "Heritage" series—plus an extremely handsome display case now ready—can be got from Medal Club of Great Britain, 34, Wood Lane, London W12 7DU. This display case fascinated me. In royal blue, it has an ingenious interior, a sort of pull-out framework which allows one to see the medals from both sides without removing them from their circular dens.

The fourth set in the "Heritage" series will feature Newton, Lister, Darwin, Jenner and Fleming. Delivery should be before Christmas, in case this strikes you as a gifted idea.

Surgery medal

Collectors can also own 36 medals tracing the history of surgery. Dramatic-looking medals, very 3-dimensional, give milestones in the progress of the science. One medal will be sent every month, in bronze, silver, or 24-carat gold on silver, to subscribers only. Hallmarked and edge numbered, each medal goes with some historic details. Subscribers get a bonus medal, in the same metal as their subscription sets. Earliest subscribers will also be sent a special wall hanging showing a section of an ancient Egyptian papyrus on Egyptian surgery circa 1600 BC.

The Surgery series follows Medallic History of Medicine, and is organised by Systema Sciences in conjunction with the Medical Heritage Society. The address is 15, Albemarle Street, London W1X 3HA.

Odd how things come in waves. I have had quite a few letters this year from people who want good, old-fashioned lecterns to prop up their books or magazines. Just small lecterns that they put on tables or bedside tables.

So here is one. Not old-fashioned, but in good-quality, modern, rigid PVC in white, red, or black. A fold-out metal leg has softer plastic foot. A quick-release plunger clocks the leg flat again, making a thickness overall of only 1¼ inches. Thus you could stow several together at a school or office or lecture hall.

I have had this lectern tried by several people. The girl in the photograph uses it in bed, without a bedside table. Others prefer a table. Some like it on their desks, for reference books. Others use it just for reading. I know one man who keeps one on a shelf to hold a number of prints that he likes, and he changes the top one periodically to suit his mood.

The basic lectern, with the short foot, is 15 inches wide by 10¾ inches high, and it costs £2.53. An universal stand turns the lectern into a de luxe model for an extra £1.25. This stand is an aluminium casting in metallic blue with plated fittings and a rubber sole. The stand is drilled so that it can be screwed to baseboard or tray to make a bedside lectern for invalids. In spite of its size, and its non-heavy look, this is a good, steady lectern which can be used for weighty tomes or fairly large display boards. An optional extra, if you're making this a Christmas present, is a 78p PVC wallet-type carrying case. Buy direct from the maker, The Coventry Movement Company, of Burnsall Road, Canley, Coventry, CV5 6BU. Postage, etc., is included and commercial organisations can get discount for quantity orders.

Pandora would have had a riot with this box of tricks. Designed for what the manufacturer describes as "lapsed adults," it costs £185 (delivery included) and must be one of the most stylish games boxes around. It's aimed at everybody from the "dextrous to the degenerate" with a separate game—sometimes two—in each drawer, which measures 27 inches square by 6 inches deep.

At the degenerate end of the scale are games like "Trapper"—a very boisterous, if slightly more refined, version of the pub game where one player throws the dice; and, if a certain combination comes up, he or she hurls a sort of dustbin-like container down on the table in an attempt to trap the other player's men. Turn this same drawer upside down and you get a beautifully painted set of pub skittles.

For the slightly less energetic is table hockey—again, a more sophisticated version of a pub game—and Maze, a game where you try to steer a ball round what seems to be an impossible series of obstacles by tilting the board up and down.

For the cerebral there is chess, and, of course, draughts in the same drawer with a card table on the reverse. The "games nest" comes with wooden chess men. If you want to take elegance to an extreme—and it almost seems a pity not to with these beautifully designed games—there is an alternative set of transparent acrylic chessmen for an extra £105.

Each drawer is covered with black simulated leather and edged with aluminium. They fit on top of each other in whichever order you want. You can also buy them separately. The chess costs £69 with standard wooden pieces; the table hockey £37.70; the Maze £35.60; the Trapper £37.90. If you want it there is an extra drawer just for storing at £19.30 (it would also make a very nice coffee table in its own right). In fact, I like it as one of the nicest coffee tables I've seen, but it has "Storage" on it. There is a beautiful matching games table with four black pouffes at £55, to round off the set.

Designed by Hulme Chadwick for Mosesson Games. Buy at Harrods or direct from Mosesson, of Stowmarket, Suffolk (Stowmarket 3535). Orders in before November 1 will be delivered in time for Christmas. Leaflets available.

Elinor Goodman

The origin of bookplates goes back many years, when early monastic writings were marked with the place of origin, or by some illustration to signify the author or his monastery. By the late Middle Ages, family book collections had become the thing for the well-to-do, who had special plates made of their coats of arms. In fact, bookplates have been done by famous artists in their time and many people have made collections of them. Lakeland Artists is trying to revive the art, with some enchanting little designs for readers of all ages. They are all in black line-drawing on a white ground, and most measure roughly 3¼ by 4¾ inches.

Prices start at 10 for 25p (plus 5p postage). Then there are packs of 25, 50, 100, all post free, at 62½p, £1.20, and £2.35. With packs of 100, one can have one's name printed on the designs (£3). Two examples are shown here. I think these make a nice idea for booklovers, or for anyone who gives books, to use instead of Christmas cards. In these days, when paperbacks are so expensive, books are precious things that one hopes to have returned, if lent at all. You can get an illustrated leaflet from Lakeland Artists and Printers, of 92C, Aldermans Hill, London, N.13. Ask for the Derwent range. Besides direct mail, you will see some of these in Liberty, Selfridges, etc.

Saleroom

COLLECTING WISELY

Keeping time

BY DAVID ROBINSON

THE same people, I am told, rarely collect both clocks and watches; and even watch collectors by and large divide sharply into those who go for technical examples and those who collect the essentially decorative. In any case watches remain pre-eminently a field for the true amateur, people who want to possess them as toys or examples of fine engineering: so far the purely investment collectors have for some reason stuck mainly to clocks.

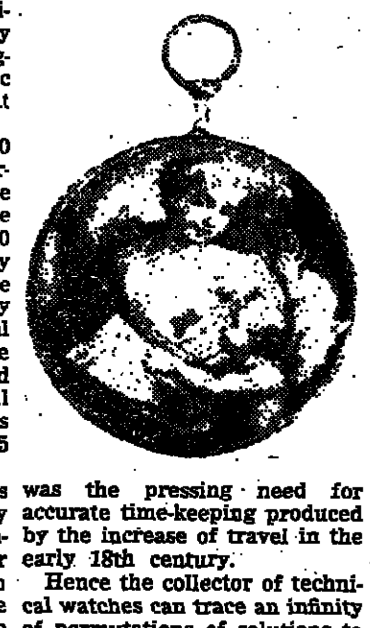
Perhaps in consequence, even though prices have risen steeply in the six years since the sale of the Prestige collection and the Saroman collection of Breguet watches and you now have to be tolerably rich to begin a really ambitious historical collection, prices of early watches do not seem exaggerated in relation to the artistic and engineering marvels that the best of them represent.

The record price of £27,000 for a Breguet watch was certainly a freak; and few of the finest watches that come on the market exceed the £10,000 realised a year or so ago by an important early Renaissance example. There is still plenty of superior collectable material in the £100-£300 bracket, while the beginner can buy good quality but more conventional examples going back as far as Georgian times at between £5 and £50 apiece.

The pocket watch made its appearance about 1500, shortly after the invention of the mainspring—apparently by Peter Henlein of Nuremberg, though recent research attributes the first personal watches to Pietro Guido of Mantua. By the end of the 16th century watches were made in large numbers throughout Europe, notably in France, Germany, Switzerland, Italy, Holland and Belgium. The extreme decorative qualities of these early watches compensated for their dubious accuracy: not for nothing do many of them include miniature sun-dials as a perhaps more reliable auxiliary system.

Reliable time-keeping was only gradually achieved over the next two centuries, and the incidental discoveries of horological craftsmen made substantial contributions to the cumulative practise of mechanical engineering. The problem of overcoming the variation in the torque output as the mainspring unwound was overcome by the development of the fusee drive. The problem of devising an escapement which would control the energy output of the spring whilst offering the least possible frictional interference to the movement produced a large variety of ingenious solutions.

The modern hair-spring balance, which dramatically advanced accuracy, dates from the discoveries of Robert Hooke and Christian Huygens in the later 17th century, though the greatest stimulus to invention



was the pressing need for accurate time-keeping produced by the increase of travel in the early 18th century.

Hence the collector of technical watches can trace an infinity of permutations of solutions to the various problems of accurate time-keeping. The field for the decorative collector is as endless, with the pierced and engraved cases of the first watches, the enamelled ornament that made its appearance in the 17th century, the beautiful repoussé work in gold.

The watchmaker's fantasy recognised no bounds: the peak of invention came in the 18th century with musical, mechanical and automaton watches; watches in the form of skulls, shells, flowers and mandolins, or set into rings, jewellery, châtelaines and card-cases. There are as well desirable individual oddities like the watches numbered to ten, which came with the attempt to introduce a decimal system of time-keeping after the French Revolution.

Collectors of all sorts have a field day on Tuesday, when Christies are selling one of their best selections of high-quality watches for several years. The earliest piece is an elaborate case of about 1570, pierced and chased with hunting scenes. The face has touch studs to enable the owner to tell the time in the dark. Complete, this would be very costly; but the movement is more recent than the case, and it will probably realise only two or three hundred guineas.

Alongside the early watches Christies are offering (apparently for the first time in a major saleroom) a group of the very convincing reproductions of 17th-century watches made in Germany in the 1880s, often incorporating genuine old parts. These copies were authentic even to the extent that they did not work very reliably.

The most rare and exquisite item in the sale (and even that will probably not make much more than £5,000) is a tiny square watch of about 1650 by Louis Barouneau of Paris. The gold dial with its single steel hand is enamelled with a rural scene of lovers, and the reverse has Cupid in a Palladian landscape. The rather later enamelled watch shown here (by Quaré of London, about 1700) portrays Cupid reading to a very jolly voluptuous lady; and its probable price of £2,000 illustrates how much less costly watches are than comparable examples of 18th-century enamelling on boxes and similar items.

An early-19th-century musical quarter repeating watch by Piguet and Meylan will probably realise about the same sum. Two other watches from this period include minute automata of (to put it euphemistically) gallant scenes; as the catalogue description has it, "lovers . . . working in unison with the musical movement."

MMON MARKET DEBATE SECOND DAY

ir Keith fails to revive MPs' lagging spirits

PHILIP RAWSTORNE

EVEN Sir Keith Joseph e resources of the National Service could revive the g Common Market debate day.

three times as many in blic gallery as on the ons benches, the discussion d insensibly through the each rare flicker of life ed immediately by another se.

ke both the Ministers who preceded him—and no it all those yet to come—Keith displayed a reassuring ide manner. "Nothing but can come from closer iation and collaboration our neighbours," he said. rope's social services were healthy, growing state and ar as Sir Keith could see—hope—the only things that in could catch from them better fringe benefits.

Sir Keith Joseph

adness

e than that. "I look d to our being able to a similarly accelerated rate owth," said Sir Keith. And al consultations with Mr. Powell failed to change escription.

erything looked very ent to the lugubrious Mr. Peart, on the Labour front h.

e EEC was suffering from a of madness called the Common Agricultural Policy and he d for the stability of in's farmers once they came contact with it. The Commonwealth, too, would inevitably ndangered, he said.

t as Mr. Peart sat down, his deputy at the Ministry of culture, Mr. John Mackie, up to say that the risks of were worth taking for the benefits and improvements e country's well-being.

Emlyn Hooson, the Liberal worried about what would ne with the strength of an ged Europe while Mr. Ernest Marples looked forward to it enabling Britain to hold on to the top of the ladder.

Merely by accepting the terms of entry, the country would cripple itself, said Mr. George Cunningham (Lab., Islington N.). But Mr. Carol Johnson (Lab., Lewisham S.), promising his vote for entry, said that Labour should be claiming some of the credit for formulating this new cure-all instead of rejecting it.

The gallery, meanwhile, looked slightly drugged.

Sir Keith said that within the Market there would be no legal requirement upon us for changing our social security system or our National Health system.

Mr. Enoch Powell (C., Wolverhampton S.W.) asked Sir Keith to indicate whether it was implicit in the nature of the Community as it developed that in due course it was or might be requisite for us to alter our social services system.

Sir Keith replied: "It will never be requisite upon us once we are in the Community to take any decision or to join in any decision which will be against our national interest.

"We will have the opportunity in consultation with the other members to take unanimous decisions for harmonisation upwards of the social services. It is in the spirit and purpose of the Common Market that there will be an attempt over the years to improve the social services all round.

"We shall expect to join in the upward harmonisation but there will be no obligation on us to change.

"There will be changes that we shall accept and want to accept and be required to accept on matters of real detail—important detail dealing with safety precautions for pharmaceuticals and medicines.

"There will be great strategic issues on which no obligation to change rests on us."

Sir Keith said it was a sober fact that most of the countries of the Six had social services which had been influenced far more than in this country by the work of the trade unions.

"We see in some of the countries of the Six some of the benefits to the workers that occur when fringe benefits are at the heart of negotiations. I hope the trade unions will catch this idea from Europe."

Sir Keith said Europe had done relatively better than Britain had in dealing with the civilian disabled. That was why a study group from his Department was now visiting countries of the Six.

The EEC countries recognised that movement of labour could not be free unless social security rights were aggregated and portable. The basis of the Treaty of Rome, therefore, was that contributions paid while a worker was working in one country should be given credit when the worker moved to another of the countries.

Closer

The Community had published a number of draft directives dealing with the freedom of professional people to practice their professions in all parts of the Community. Many of these related to the healing professions.

"It is highly unlikely—but possible—that the directives will be agreed before what is called the cut-off date. It is only directives agreed before the cut-off date which cannot be influenced by us.

"Nothing but good can come from closer association and collaboration with our neighbours. We share the same problems and the same purposes."

Participation in the Common Market had enabled member States to expand their social services at a greater rate than Britain had been able to do and at a greater rate than if the Common Market had not been formed.

Peart: Farmers are worried

PEART said there was great ety among certain sections the farming Community t Britain's proposed entry the EEC. Horticulture esented one-fifth of the inry and leading horticullists believed entry would "disastrous" for large ons of their industry.

Britain, the Price Review, ll its faults, was an example he world and admired by bers of the farming comty in Europe. It was now ested that this would be reed by discussions at a munity level.

he farming community is ed that long-tried practices end, and that there will be meaningful discussions with in authority and those who to make decisions about own national policy."

estroy

ue added tax, added to burdens falling on the conr by our inability to bring in from some of the pest markets in the world, d impose even higher prices laid down in the White r.

. James Prior, Minister of culture, intervened: "The s for increases in prices of ue to entry are based on tly the same criteria that ecommended to the House 67."

. Peart replied: "Lots of s have changed since 1967." continued: "It is crazy that hould seek to destroy a m that has worked in this ry in the post-war period. It is a system which has provided a large measure of security for large sections of the agriculture industry.

"It is wrong that we should embrace a restrictionist grouping which will provide no stability for farmers in the community."

Mr. Peart said that during the Brussels negotiations Mr. Rippon "drummed the table almost like a Kruschev at the UN when he shouted: 'We must have bankable assurances.'

"And he called it the dialogue of the day. And next day we had virtual capitulation."

Fanatics

One important consequence of the appreciation of the D-mark had been that the prices paid to farmers in Germany were almost 10 per cent. higher than those paid to farmers in France for similar produce.

"This is the crazy system which we see emerging in Europe and it is not just a Franco-German problem. All the countries are out of line because of the exchange differences which have arisen.

"This is the Utopia which the Common Market fanatics think British farmers should embrace. In order to restore harmony it will be necessary for substantial adjustments to be made in the Community's pricing system. But can that be done?

"It is in agriculture that we can see the realities and see how membership of the Community will affect long-established relationships with countries which have stood very close by us in time of peace, as in time of war."

Benefits will make up for food levy'

JOHN MACKIE (Lab., eld E.), a former Parliatary Secretary at the stry of Agriculture, said ain would get great benefit entry—in industry parlarly—and this would cerly make up for the food ort levy.

I have always understood we, when I was a member he Government, had accepted Common Agricultural policy turn for the many benefits would flow from being a ber of this enlarged Comty," he said.

Ernest Marples (C., asey) said: "There is no that the standard of living rural and provincial parts ance has gone up in the 0 years by far more than as in this country."

nstinct

Emlyn Hooson (L. Montryshire) said unlike other bers of his party he was st joining. The Common ket was a club of rich nations a highly protective policy e that had distorted the food y of the world.

e people of this country reflecting a deep political nct when they said they not prepared to go in at the ent time.

r Ronald Russell (C., Wem- S.), chairman of the monwealth Producers' nisation, said he opposed y. It was "complete lunacy" Britain not to take the fullest sible benefit of the natural advantages possessed by Australia and New Zealand.

Mr. Michael English (Lab., Nottingham W.) said the real problem facing the minorities of both parties was that the British people had never had an opportunity through the normal political process of making their will known.

Mr. William Hamling (Lab., Woolwich West) said the Labour Party was speaking for the mass of the people of this country in going into the lobby to vote against these terms. "If we fail to do this then we are failing in our democratic duty."

Mr. Carol Johnson (Lab. Lewisham S) said: "I regret very much that the trade union movement in this country seems to be completely unaware of the possibilities open to them with their colleagues on the Continent, not simply for improving wages and fringe benefits but seizing the opportunities within the Community to make their voices heard in the processes leading to the political decisions about which they have expressed such concern."

Mr. George Cunningham (Lab., Islington S.W.) said: "Every Minister who has ever been concerned with Common Market discussions has met with the insistence of the French in screwing out of us the maximum possible price. When it comes to diplomacy, which is the art of getting what you want without paying for it, the French have forgotten more tricks than the Foreign Office will ever learn."

Privilege case for committee

By Justin Long, Parliamentary Correspondent

THE COMMONS approved a motion to refer to the Committee of Privileges a complaint concerning a report in the Daily Mail which purported to disclose Government proposals for pay increases to the Royal Family.

Giving his ruling on the complaint, the Speaker, Mr. Selwyn Lloyd, pointed out that the Civil List was under the consideration of a select committee. If the article did reveal the committee's proposals—and he had no means of knowing whether the article was accurate—it would constitute disclosure of proceedings which on previous occasions had been held to be contempt of the House.

"The matter must merit further inquiry," the Speaker said

Lyalin case

On Monday, the Speaker will give a ruling on a further allegation of breach of privilege, raised by Mr. Arthur Lewis (Lab., W. Ham North), concerning publication in the Daily Telegraph of information about the Oleg Lyalin case.

Mr. Lewis said that information eminating from the Attorney General and given in statements to the newspaper were the substance of Parliamentary answers to questions he had tabled—but answers which the Attorney General had not at that time given in Parliament.

The Minister was not entitled to make statements outside the House in answer to questions in this way, Mr. Lewis said.

Vehicle and General Tribunal of Inquiry

Ministry kept special watch from beginning

FROM the early days of its existence the Vehicle and General Insurance Company was not treated by the then Board of Trade as an ordinary company, the inquiry into the company's collapse was told yesterday.

The Board, now the Department of Trade and Industry, had its statutory powers of intervention and the limitations imposed on it by those powers in mind from the outset in its approach to V & G, said Mr. Peter Webster, QC, for the Department and its officials.

Pressure

Mr. Webster, who was covering the Board's examination in 1962 of V & G's 1961 accounts, said in his final speech it was clear the Board had directly or by implication let the company know through Mr. Alfred Hunt, its former managing director, they had those statutory powers in mind.

Said Mr. Webster: "It was clear they were then doing various things to put some sort of pressure on the company. They were already doing something; they were not just treating it as an ordinary company."

Mr. Michael Kerr, QC, one of the three members of the Tribunal, said it had been recognised by the Department and in the early stages that the company was living dangerously. To him this suggested there was a danger of future insolvency.

He said: "One would like to see on this analysis whether the company ever ceased living dangerously." He found it very difficult to see when it stopped.

Mr. Webster said that from time to time during the years of its existence it looked as if it had stopped living dangerously "and then if one looked at it a year later it was living dangerously again. I think everyone was taking the view in 1965/66 that it had stopped living dangerously but by 1967 the suspicions again arose."

He said that Mr. Homewood and Mr. Nail (two department officials) had said that when they had the possibility of future insolvency in mind they were looking ahead two to three years in one case and four to five years in another.

There was nothing else anyone could do but to value the assets of V & G at that time, he said.

Mr. Kerr commented: "What was diagnosed about this company right from the beginning was what it died of this year."

Mr. Webster accepted that as fair comment but added that the difficulty was that it would be quite wrong to hold the Department negligent for not having taken a breakup valuation in their examination.

If they had thought the company might have been insolvent in a year or two years ahead different consideration would have applied.

But when looking as far ahead as they were, with only suspicions in mind rather than specific grounds, it could not have been negligent for them not to have taken a breakup valuation.

The Tribunal adjourned until Monday.

Fine Fare off-licence chain plan

By David Walker

A CHAIN of self-service off-licences is planned by Fine Fare, the supermarket group revealed yesterday. The first four, all in the south of England and trading under the name Wine Fare, are due to open in the middle of next month.

The project involves the conversion of existing smaller shops in the group, with sales areas of between 400 and 1,000 square feet, for which supermarket operation is no longer regarded as economic.

No decision has been taken on the number of units likely to be involved. Although Fine Fare stressed yesterday that "it is not a mass conversion operation," there have been suggestions that the eventual total could be around 100.

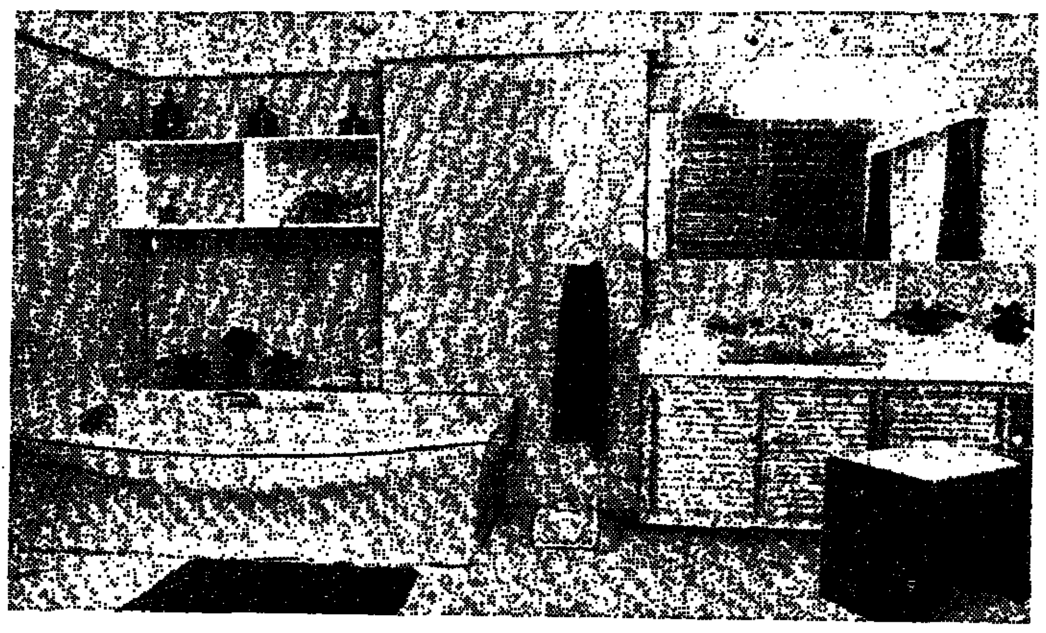
"The whole thing will be reviewed from year to year," the company stated. The stores will stock a comprehensive range of branded drinks, as well as Fine Fare own label wines, beers, and spirits. In addition, crisps and similar snack lines and a range of "other party and leisure items" will be carried.

Smaller units

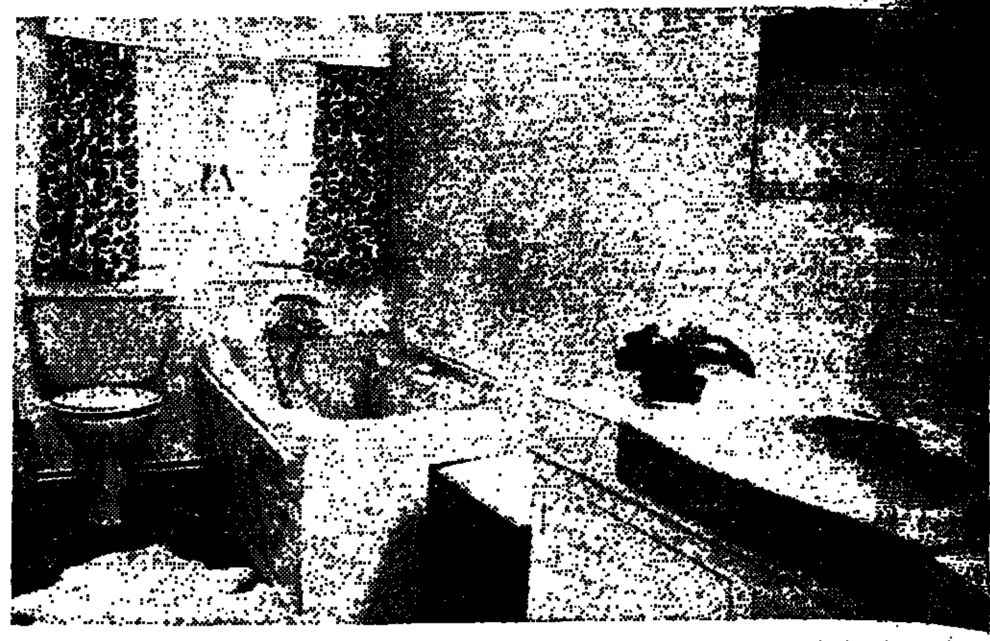
The latest scheme will run alongside Fine Fare's programme of expanding the number of its ordinary supermarkets to be licensed. At present, 422 of its 1,080 stores can sell alcoholic drinks, and the number is rising by about 70 a year.

In common with other leading supermarket groups, Fine Fare has been gradually phasing out smaller units over the past few years. Since 1968, when it had 1,200 stores, around 250 have closed. Parallel openings of larger units in the same period account for the fact that overall numbers have gone down by only 120.

Property and housing



A view of the main bathroom from the bedroom door, which divides the range of floor-to-ceiling cupboards. One of the cupboards can be seen reflected in the mirror. Out of sight at the left of the room is a large heated towel rail, and the door into the WC.



Reasonably cheap and fairly cheerful—the guest bathroom. The old oak beam, reflected in the mirror, is kept as an unusual feature, and lambskins on the cork floor add a touch of luxury.

Adding a bathroom

BY MICHAEL O'HALLORAN

"LOVELY though Fiona undoubtedly is, and despite the fact that she admits to sleeping in the nude, I have no intention of tramping along the landing to see if she has finished with the bathroom. Apart from anything else, she brought Bill with her."

"Well, you could just peep and see if the light is showing through the crack at the bottom of the door."

"You and your frothy nighty can go and risk meeting Bill. I tell you that the cistern has not made enough noise. He said that he was going to have a bath, but the house is so quiet you could hear the pulsating of an activated toothpaste tube."

To-night, there will be thousands of variations upon this theme as week-end guests descend upon willing—but bathroom conscious—hosts. But not, I am glad to say, at O'Halloran Towers. We have not achieved the ideal, which must surely be a bathroom to serve every bedroom, but we are happy with three bathrooms and five bedrooms.

Personally, I think that this arrangement could well become the norm for to-morrow's "executive" house. One should ignore such comments as my father's, who suggested that I alter the name of my house from Littleworth (an *historic* but not, my bank manager tells me, an apt name) to the Ablutions.

Why three bathrooms? One for myself, one for guests—both of them attached to bedrooms—and the third, suitably proofed against flood, fire and riot, for my destructive brood, and any other children who may be staying with us. So far, it is a situation which has worked extremely well. But, as I have discovered, it is not cheap to arrange.

Advice

Earlier this year I suggested that readers take advantage of surplus building society money and borrow for home improvements such as bathrooms. I took my own advice, persuading the Bristol and West to cover the cost of adding two more bathrooms to the old farmhouse which I recently bought in north Buckinghamshire. Although I still go pale when I think of the sums involved, I do not regret one penny. I can always claim to be the cleanest bankrupt in history.

If, like myself, you buy a rambling house the installation of extra bathrooms is not too much of a physical problem. When I bought my house, it had one central bathroom. What I envisaged, and have now achieved, is the conversion of a sixth bedroom adjacent to my own *into* a bathroom en suite, plus the creation of a guest bathroom by the simple expedient of reducing the size of one very large bedroom.

The first expert to call in is the plumber. What enthusiastic amateurs such as myself are inclined to forget are the hidden costs. In my case, these amounted to new hot and cold water tanks, which reduced the size of the airing room to such an extent that the adjacent loo had to be incorporated with the children's bathroom which then had to be extended out into a corridor, which then . . . and so on. I was lucky—my boiler could cope with the extra load.

It is only after reconciling these expenses that you dare to go into actual design. My master bathroom was to be created out of a room measuring some 15½ feet by 14 feet. However, as I am a firm believer in separate lavatories, I also decided to take in part of a passage adjacent to the room. A loo 5 feet by 14 feet may seem a trifle extravagant, but (a) I had no option, and (b) why not, if you have the space?

Sheila Black has declared a hatred for baths to be positioned against a wall. I am not so avant-garde; in fact my tastes are very catholic. But I do value comfort. Which is why I have ended up with a reasonably orthodox master bathroom at a cost of approximately £1,300. You may well wince at this figure—imagine what I did!

Where did the money go? First, I believe that a bathroom should be an intimate room, warm and welcoming to bleary eyes in the morning, bright during the day, and soothing to nocturnal writers such as myself who habitually do not begin work on a Saturday column until the wrestling finishes at 11.45 on a Wednesday evening. To achieve this blend in a large room, you must start with a low ceiling, and I chose to reduce the height of my bathroom to the legal minimum of 7 feet 6 inches.

Lowered

First I raised the lower level by building a new floor which would, incidentally, take the weight of sanitary fittings and would be better designed than the 1620 version below it. The ceiling also had to be lowered, so why not make a false ceiling with sealed knotty pine? However, ceilings are all too often divorced from the walls, a plane which has no meaning other than a functional one, and I therefore resolved to continue the pine down the walls for approximately 2 feet.

Next came the cupboards. As space was no problem I decided to continue with the pine, building floor-to-ceiling louvred cupboards along the full length of one wall. It then seemed reasonable in design terms to have a complementary unit made to accommodate the basin. I really do not understand why anyone should choose a pedestal basin when the fitted variety can be had at no—or very little—extra cost.

My natural tastes always exceeding my pocket, I did choose a rather expensive bath and basin. The gold-plated fittings perhaps sound ostentatious, but they do not look it. And they both perform better, and are much easier to maintain, than their chromium counterparts. Thanks to the standard colour system used by most manufacturers to-day, I was able to tile two walls to match the bath and basin. The other wall is painted white.

The floor was simple—for warmth, the only solution is carpeting. I spent an horrific sum on Kosset's new Seascape, but a warm long-pile carpet is worth every penny to anyone who has to answer an urgent call in the middle of a cold winter's night when the central heating is turned down. To complete the picture, I splurged a further £65 on large onyx door handles—this really was an extravagance, but I was getting beyond the point of caring very much. Other details included a large mirror and shelves.

My figure of £1,300 does, of course, include the creation of the separate lavatory, which leads off the bathroom via another pine louvred door. Once again, the height has [been] reduced, the ceiling is [pine], and the floor is ca[rpeted]. (The carpeting was also [...] to continue through in[to the] bedroom, where my builder [had] several field days, but mo[re of] that another time.)

I will be the first to co[nfess] that the completed bathr[oom] does not look like £1,300 w[orth] of work. But it feels li[ke it] when I use it, which is a[fter] all the most important as[pect.] I lie in a rather splendid [bath,] twiddle the gold taps, ad[mire] my collection of hot[house] plants, dry myself with a w[arm] towel, perhaps spread ou[t on] the carpet to finish a bo[ok if] my wife is already asleep [next] door—small things perhaps [but] valuable to me.

As for my guest bathr[oom,] this was very simple. The [idea] was to make the space wi[thin] the bedroom by building extra walls, buy a standard bath/shower suite, tile walls, add a fitted basin and cover the floor with black cork tiles. The tota[l] is around £300. Unless [you] have a constant stream of [guests], I see no reason t[o be] too extravagant in this sec[tor.]

After two years and five [pro]gress articles O'Halloran H[all is] in danger of being comp[leted.] The battle against wood[worm,] death watch beetle, dry [and] damp rot, electrical c[...] etc., has been won. Proud[ly] broke I stand, master of [a] survey so long as I keep up [the] payments. If any reader [is] having renovation problem[s I] would be glad to help.

Overseas News

Surprise Nixon nominations for Supreme Court

BY GUY DE JONQUIERES

WASHINGTON, Oct. 22.

PRESIDENT NIXON has ended the intense speculation over the identity of his new Supreme Court nominations by selecting two surprise candidates.

In a television broadcast last night, Mr. Nixon disclosed that he is nominating Mr. Lewis F. Powell, a distinguished Virginia lawyer, and Mr. William Rehnquist, an Assistant Attorney-General to fill the vacancies left by Justice John Harlan and the late Justice Hugo Black.

The announcement caused surprise because neither man has been mentioned by the White House as a possible choice, or had featured on the list of six names which the President said recently were under consideration.

The two men appear to be known either slightly, or not at all, to Congress. It is therefore difficult to judge how they will be received by the Senate, which has rejected two of Mr. Nixon's previous nominees.

The President said that both men held conservative views consistent with his own and would dedicate themselves to law, order and justice. "As a judicial conservative, I believe some court decisions have gone too far in weakening the peace forces against the criminal forces in our society," he said.

He added that both men had distinguished legal records. Mr. Powell is a former President of the American Bar Association and a practising lawyer. Mr. Rehnquist is a right-wing Republican who has publicly taken a strong line on law enforcement and has defended such practices as wire-tapping.

If they are approved by the Senate, it is certain that they will add their weight to the conservative grouping represented by Mr. Nixon's two previous nominees, Chief Justice Warren Burger and Justice Harry Blackmun.

In announcing the nominations, the President avoided—apparently deliberately—having them vetted in advance by the American Bar Association. The ABA is reported to have rejected as unqualified the two front-runners on the list of six possible candidates which Mr. Nixon published earlier.

Pirelli loss predicted

MILAN, Oct. 22.

PIRELLI, troubled by labour problems, is likely to post a loss this year, the Italian Labour Minister Signor Donat Cattin told the Senate to-day.

Pirelli officials refused to confirm or deny the statement. They said that a letter to shareholders was being prepared for publication next week, and they refused to make any comment beforehand, "at this delicate moment."

Sig. Donat Cattin was responding to a request by three senators to explain the Government's position on a recent Pirelli decision to encourage 1,000 men to resign by offering increased severance benefits. The unions were angry.

Spain cuts discount rate to 5%

By Our Own Correspondent

MADRID, Oct. 22.

THE BANK OF SPAIN to-day made it's long-awaited decision to reduce its discount rate by 1 percentage point to 5 per cent.

Private banks will have to cut their rate in proportion. The measure follows international trends in the last few weeks and is designed to stop the inflow of "hot money" from abroad and to put an end to the 18-month long recession in Spain.

Spanish Bank rate was cut by 0.25 per cent. to 6 per cent. in April this year, in reply to industrial and business demands that steps should be taken to stimulate the economy.

Spain's official cost of living index has climbed 7.17 per cent. in the past 12 months, according to official figures published to-day.

FORECAST OF EEC TRADE GAP

BRUSSELS, Oct. 22.

A CONTINUED rise in prices and a mounting trade deficit for the Common Market were predicted to-day by the EEC Commission.

Exports are already being affected by the de facto revaluations of most EEC currencies and by the protectionist measures of the U.S., the Commission said in its quarterly economic review.

Imports will go on expanding sharply and consumer prices will go on rising, due to higher costs, increased tariffs for public services, and continued consumer demand.

Reuter

Brazil forecasts 10% growth for 1971, and drop in inflation

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

RIO DE JANEIRO, Oct. 22.

BRAZIL'S growth rate will be around 10 per cent. this year, there will be a slight fall in the inflation rate and exports may reach $3,000m. for the first time, according to Dr. Antonio Delfim Neto, the Brazilian Finance Minister. Dr. Delfim Neto speaking yesterday in Brazilia, added that the Government was not worried by the recent fall in stock market prices.

The Finance Ministers' statement coincides with the publication of figures by the Sao Paulo State Government showing a rise of 26.5 per cent. in the production of motor vehicles in the first eight months of this year, as compared to last year's period. Private car production was up by 41.7 per cent. and medium and heavy tractor output rose by more than 50 per cent.

Figures released by Cacex, the Federal export agency, show a marginal drop in exports in the first half of this year as compared to the first six months of 1970. The January-June figures this year come to $1,236m., a fall of 0.34 per cent. This is principally accounted for by a sharp fall in the value of coffee exports $293m. as against $458m. in the first half of 1970. This was largely made up by sales of manufactured goods. Exports of shoes for example rose 403 per cent.

Dr. Delfim Neto's remarks about the stock exchange come at a moment when the market is looking a little nervous. The terms of the expected increase in the issue capital of the Banco do Brasil disappointed the market and the bank's quotation on the Rio Stock Exchange is now around the 43 Cruzeiro mark as against 55 Cruzeiros in the middle of the month.

During the first half of the year, the bank reported a profit of Cruzeiros300m. on the present capital of Cruzeiros 720m. Despite the present bearish trend in the market, the prices of shares of most leading companies are showing very substantial gains on their quotation on January 1 this year. Eighteen of the major mutual funds have more than doubled in price this year.

W. German bourse hits new low

BY MALCOLM RUTHERFORD

BONN, Oct. 22.

THE WEST GERMAN stock market fell to a new 1971 low to-day, reflecting depression about the international monetary situation and further announcements of short time work in German industry.

The Herstatt industrial index closed at 92.96 after yesterday's 93.72. The previous 1971 low was 93.59 on January 4. The decline has been fairly steady since President Nixon announced his monetary measures on August 15, when the index stood at 105.19. Trading, however, has recently been light.

No significant improvement is forecast before there is at least some progress in the various international monetary negotiations, although there was some slight comfort on the German side to-day in that the D-Mark rate against the dollar fell for the second day running. The official fixing was equivalent to a D-Mark revaluation against the dollar of 9.8 per cent.

According to some, though by no means all, bankers, the rate could fall a little further as the reports spread of Germany's uncertain economic outlook. The average revaluation rate against the 15 most important trading countries, which is the one Prof. Schiller, the Economics Minister, most cares about, was to-day 5.6 per cent.

The latest industrial reports to depress the stock market were more short time at Krupp, yesterday's forecast from Thyssen of "a notable" cut in dividend, and a statement from the motor industry federation about continually falling profits. The long-drawn-out wage negotiations in the steel and metal-working industries, where there has been no sign of a settlement or any give on either side, are also depressing factors.

BEU in link with top German bank

By Adrian Dicks

PARIS, October 22.

AN ANNOUNCEMENT is expected soon that Banque de l'Union Europeenne is to link-up with West Germany's largest banking group, the Westdeutsche Landesbank Girozentrale, adding to the growing list of cross-frontier European bank participations. BEU, however, declined to comment to-night.

It is thought that the German group (which is part of the German Savings Bank organisation) will take 63,000 shares in the BEU (some 4.6 per cent. of its total capital) in exchange for a 33 per cent. holding by the latter in the Dortmund bank of Burgardt and Brockelschen, and for a 25 per cent. holding with effective control of Franco Finanz, a Paris-based portfolio management company. No value has been set on the deal.

Banque de l'Union Europeenne, with assets of some Frs.3,168m. (£240m.) at the beginning of this year, is the 13th largest French bank. It has a number of long-term holdings, as well as a merchant banking and short-term business.

Sixty-eight per cent. of the BEU's capital is held by the Empain-Schneider industrial and financial groups, while 20 per cent. belongs to the U.S. Marine Midland Bank. The remaining 10 per cent. has been made over to a number of European banks with which BEU has for some time been pursuing a policy of broadening its links. Its longest standing foreign associate is Hambro's, with whom contacts started in 1911.

...lisbury ...lks lead 'cautious ...timism'

...ur Own Correspondent

SALISBURY, Oct. 22.

...SH and Rhodesian officials ... held two meetings in ...ury against a background ...mism over the outcome of ...ks. Some observers here ...that this round of talks is ... aimed at "crossing the ...d dotting the 'i's."

...others take a much more ...s view arguing that there ...ll important issues to be ...d. In the absence of any ...information from either ... is best to take a cautious ...though one must add that ...placed businessmen insist ... favourable outcome is ...robable.

...ever, this morning's ...ian Herald makes sombre ...g for those seeking an ...ent even vaguely within ...e principles. One news ...efers to efforts to prevent ...s attending lectures at a ...rcial college in Salisbury, ... the provisions of the ...ionist Land Tenure ...hile another item con... ...e warning by Rhodesian ...s of their determination ...pose the eviction of ...s under the same legisla-

...xchange of ambassadors ...ith China not imminent

...KEVIN RAFFERTY

...G-EXPECTED announce... ...f an exchange of ambassa... ...etween Britain and China ...ow regarded as imminent. ...s in Whitehall point out ...e issue cannot be settled ... the position of China at ...ited Nations is decided by ...e there next week, simply ...e it would take a week at ... get through the protocol.

...s between the two coun... ...eem to have been stalled ... points. The Chinese have ...ked for another meeting ... the last in the series on ...r 5 between Mr. John ...a, the British Chargé ...irs in Peking, and Mr. Chou ...hua, the Chinese Vice-Foreign Minister. This is the longest gap since the series of talks began.

The British stick to their view that the status of Taiwan is undetermined. China has long demanded that Britain should regard Taiwan as part of China. Britain has a consul in Taipei, but it is understood would be prepared to remove him as part of an ambassadorial package deal.

The Chinese charge against Britain, of voting for Chinese representation at the UN, then against it by supporting Taiwan's membership, was lost when the British decided to vote for both Chinese membership and Taiwan's expulsion.

...linister declares 3-year ...Nigerianisation' period

...OUR OWN CORRESPONDENT

LAGOS, Oct. 22.

...RANSITIONAL period of ... three years is to be ...ed by Nigeria's Federal ...ry Government before the ...ete takeover of certain busi... ...s that have now been ...ed for indigenous ...ians.

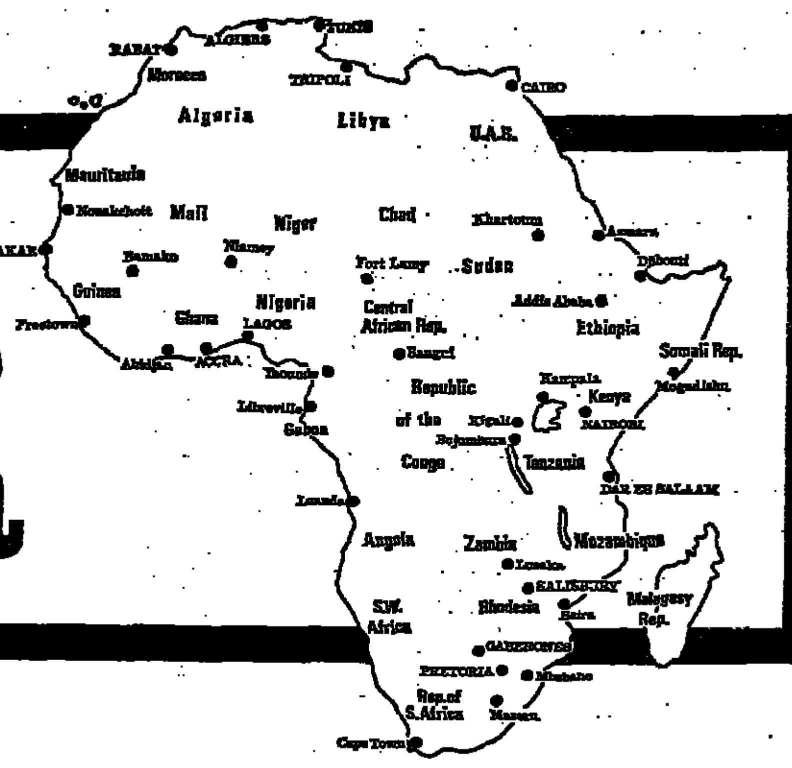
...s was stated in Lagos by a ...ly Permanent Secretary in ...Federal Ministry of Trade, ... A. Adeoye. Addressing a ...ar in Lagos, he disclosed ... this transitional period ...l afford those concerned ... an opportunity to obtain ...prices should they wish to ...eir businesses to Nigerians.

... Adeoye emphasised that ...proceeds from the sale of ... businesses could be ...riated, subject to the usual ...tions. And he explained ...there were still vast areas ...dustry left to those affected to invest in, either alone or in partnership with Nigerians.

In June the Nigerian Government announced its intention to Nigerianise 26 categories of business, including retail trade, shipping, road haulage, printing and public relations, by April 3, 1974. Legislation has still not been introduced, and it is not yet clear, in spite of Mr. Adeoye's remarks, whether the Government will extend this deadline.

Mr. Adeoye announced that the Federal Government had set in motion the appropriate machinery for the effective implementation of this policy of "indigenisation." Defending the policy, Adeoye declared that it was natural that country's Supreme Military Council should have taken such a decision, because it constituted a firm assertion of the country's economic independenc.

Holidays in Africa



A sandy beach beside Lake Malawi.

A continent of sun, sea and safaris

BY ARTHUR SANDLES

Virtually the whole of the African continent stands now on the brink of considerable tourist change. Until recent years even the more popular vacation areas of Africa have dealt with smallish numbers of visitors on a relatively unsophisticated basis. To-day, from Tunisia to the Cape, the hotels are sprouting, the airfields are lengthening, and the tourist support systems are growing more efficient and effective. Fortunately Africa has had time to learn from the mistakes of Europe and the Caribbean. The ruin of the Costa Brava and the building of tourist ghettos in Bahamas will hopefully not be repeated in Africa. Anyway, with all that space it will be a long time before the tourists start to notice each other.

In Kenya not long ago almost my first impression was of the very size of the place, quickly followed by surprise at the large amount of game that could be seen by the most casual observer. There are criticisms of overcrowding in Kenya, which is one of the most popular tourist destinations in the continent, but these are in limited areas.

Pleasant voyage

For a long time Africa has been a favourite winter destination for the British, offering as it does something completely different in what is usually a pretty bleak time of the year at home. It is still very difficult indeed to get good berths to South Africa in the winter on the ships that ply the route. Union Castle, the market leader in this area, operates a service with Safmarine which uses seven ships, five of which are large passenger vessels. A 39-day sea-safari, including a ten-day African tour, costs upwards of £687.

The run to South Africa takes 11½ days, which is a longish but very pleasant voyage. Also offering a service are Chandris, Shaw Savill, Lloyd Trestino, Sitmar, Nedlloyd, and P and O.

But as Africa has increased in popularity so have the transport facilities grown. BOAC, East African Airways, South African Airways, Zambia Airways, British Caledonian and several others offer regular flights deep into the continent and BOAC operates fly/sail tour arrangements in association with Union Castle.

But what are the attractions of Africa? Well, it is a pretty big place to boil into a few words. In the north the attractions are probably similar to those of Southern Europe, a reasonable assurance of pleasant weather in a completely different cultural environment. Further south it is the virtual guarantee of sunshine, a culture which is an intriguing weave of European and African in varying proportions, the fantastic scenery, the beautiful beaches, and the animals.

It is Kenya which has made the most determined bid for tourism in recent years. The tourist industry is carefully fostered and is the nation's biggest currency earner. At the moment Kenya is very much a buyers' market. Its obvious attractions were spotted some time ago and a large amount of money went into hotels in Nairobi, on the coast, and in the parks. As yet the demand has not caught up with bed supply and the tourist can pick and choose. Package tour prices start at around £153 for two weeks, and this includes a jet flight there on one of the scheduled carriers, but a trip with more flexibility and better room will cost upwards of £200.

Oddly enough the steadily growing package market in Kenya seems to be swinging towards the coast. The beaches around Mombasa are proving an irresistible attraction to both the British and the Germans.

Hotel building

Still to some extent undecided about the future of its tourist industry is South Africa which is perpetually agonising over the question of whether it wants much larger numbers of visitors. However, the eagerness of the tourists, to see the country, combined with the enthusiasm of the local business community to make full use of the tourist potential, is gradually breaking down resistance. Certainly the attractions are considerable. A wave of hotel building in recent years which is gradually satisfying South Africa's need for international standard hotel rooms is now added to a sophisticated internal communications network which makes travelling around the country pleasantly easy. For the adventurous a four-berth Dormobile can be rented for two weeks with unlimited mileage for just under £150.

But the visitor should be warned about being too ambitious in his intentions. South Africa is a large country—the Kruger National Park alone is the size of Wales—and it is best to concentrate on one area. It is a country which has always attracted the independent traveller and someone who wants to stay for some time. Even in today's jet-set age the average length of stay in the country is over a month. But the package tour marches on, even here. Several companies offer all-in tours of the republic including Houlder and Bales. BOAC/Cooks offer packages starting at £170 for 17 days in Johannesburg and the same combination will take you on a tour of South Africa, Tanzania and Kenya for £498.

It is probably still true that Tanzania is thought of as a holiday area linked with other regions, notably its neighbour, Kenya. The tourist traditionally has moved across the border from Kenya to Tanzania's famous Serengeti national park. Undoubtedly this will continue to be true for some years to come but efforts are being made within the country to broaden the range of attractions. The new Kilimanjaro airport, which is strategically placed between the Serengeti and the coast, should facilitate the development of Tanzania's tourist business. New coastal resort areas are being opened up but there have been building delays. For the moment the main attractions must remain the parks with such attractions as the Ngorongoro crater and Lake Manyara.

Making similar hotel efforts is Uganda, which has suffered from a chronic shortage of rooms in recent years. Now there is a £3m. hotel building plan in progress by the Government-owned Uganda hotels and serious attempts are being made to ease the problems of tourists while not spoiling the very attractions that lure them to the country. Although Uganda has no sea it has plenty of water, and this is surely one of the major draws, particularly for those who have a taste for massed hippopotami. Uganda boasts lakes Victoria, Edward, Albert and Stewart, and a complex system of inland waterways (with a one-day dream of steamer tours) as well as the Murchison Falls. A lot of effort is being made to help travellers to see these fascinating areas and also work is going on to open up the Uganda border area with Congo.

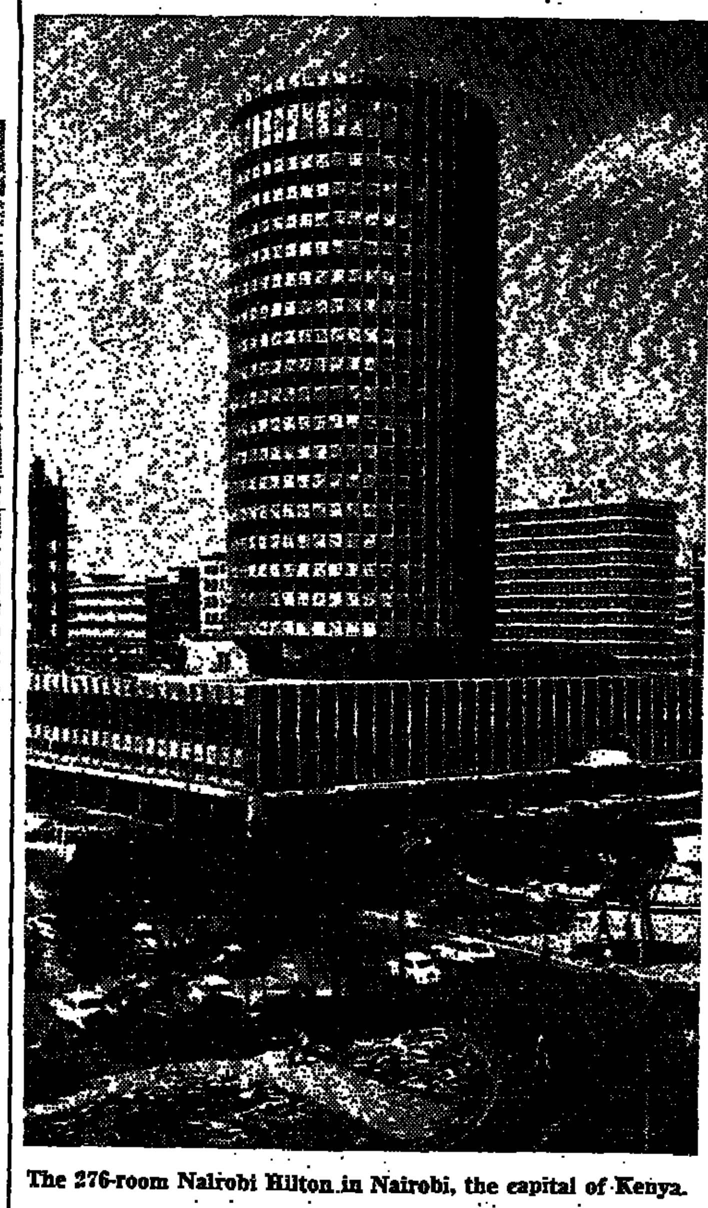
It is probably a more determined tourist who heads for Zambia. The attractions are still considerable — Victoria Falls, Luangwa Valley and Kafue National Park among them—but accommodation is not easy to find.

All tastes

But Africa caters for all tastes. Countries like Ethiopia, Senegal, Rwanda and Malawi are all making serious tourist efforts, and other areas are there for those who are really keen to travel. Senegal, for example, has some superb beaches and almost continual sunshine throughout the British winter months. Wings offer trips there at £100 upwards for two weeks. Main tour operators to Africa include Cooks, Horizon, Thomson, Houlders, Kuoni, Alta and Bales.

The whole of Africa is in the process of making the move from days when it was the destination for the adventurous travellers with both time and money to spare to a genuine tourist destination. Its varied attractions are still largely unspoiled but are daily growing more accessible. The hope is that communications and accommodation can be further improved without interfering with the basic wonder of the continent.

A herd of wild animals at the Kruger National Park, South Africa.



The 276-room Nairobi Hilton in Nairobi, the capital of Kenya.

[G]M experimental safety [c]ar fails first test

[BY J]AMES ENSOR

[FI]RST TEST by General [Motors] of its experimental safety [car] has proved just how diffi[cult it i]s going to be to meet the [s]tandards set by the U.S. [The car], a two-ton monster, was [built] under a government con[tract for] a symbolic dollar to simu[late the] survival of its occupants [in a 50] m.p.h. head-on crash.
[GM te]sted two experimental cars [whic]h proved failures. "The [dummie]s were all 'killed,' so to [speak,"] said Mr. William B. Lar[…] [th]e programme manager. [One of] the dummies would have [been "kill]ed" if a door latch had […]st. This meant that the [car, de]spite its heavy reinforce[ment o]f steel girders, crumpled [in the] middle. The rear-seat [dummi]es were pitched forward [instead] of rebounding off safety [bag]s.
[One] of the airbags fitted to [protect] front seat passengers [failed t]o inflate. The dummy was ["killed]" when its head struck [the da]shboard instead of the air-bag. This is a most worrying admission because the American Traffic Safety Administration has always favoured airbags as the best safety device, despite strong protests by the manufacturers who felt it would be impossible to make them so that none would fail.

The safety planners have now postponed the introduction of the airbag from 1974 model cars to 1976 models to give the industry more time to develop a convincing system.

But GM's tests show that techniques are still inadequate to produce reliable bags even under laboratory conditions. Ford is bitterly opposed to airbags and many people think that the Americans may eventually abandon airbags in favour of the inertia-reel type of safety belt fitted to Volvos and Triumphs in Europe.

GM's safety car was built of aluminium to save weight. A high-strength, vanadium-alloy steel was used for the girder frames and the engine block was cast in aluminium.

The cost of these special materials would be so high, even under full production costing, as to make the car unsaleable. Mr. Ernest Starkman, GM's vice-president for environmental activities, said "practicability and feasibility were not our concern so we have no idea of the cost of production, but the car could not be bought by many people if it were on the market to-day."

Some of the features developed, particularly the improved brakes, instruments, bumpers, suspension and lighting, may be used on future production models. The company has 100 engineers working on the project and expects to build 12 cars before delivering the two final ones and a comprehensive report to the American Government in a year's time.

But, before then, many problems with the novel safety systems will have to be solved and the weight of the complex features will need to be further reduced.

Dunlop joins search for N. Sea oil

BY ADRIAN HAMILTON

DUNLOP, Britain's leading tyre manufacturer, has become the latest U.K. industrial group to *join in the search for oil* in the North Sea.

The company announced yesterday it had set up a subsidiary, Dunlop Oil Holdings (North Sea), which is taking part in a consortium of U.K. and U.S. com*panies applying for North Sea* blocks in the latest round of Government licences.

Its move, which comes at a time of unparalleled world interest in the Scottish off-shore area, follows similar decisions by such groups as Charter Consolidated, the National Westminster Bank and the Bank of Scotland, and a wide range of investment, banking and insurance interests.

Associated

In addition to these, who are all applying for licences for the first time, other groups such as RTZ, ICL, Blackfriars and P & O have been associated with the North Sea search since earlier rounds.

The latest move marks the first time that Dunlop has directly invested in oil exploration, although the company has been associated with exploration through the supply of hoses and other equipment for some years.

Over 90 groups, involving 228 companies, are known to have applied for the 421 blocks still *on offer* in the latest round. Final awards, expected in late November, are being made on a discretionary basis with account being taken of the involvement of British interests as well as past performance.

DAIWA SECURITIES' AMSTERDAM OFFICE

Daiwa Securities Company has now brought into operation an office in Amsterdam, a result of the heavy Dutch interest in Japanese stocks and bonds. The principal European branch of the Tokyo-based Daiwa company remains in London which *is* in turn served by the Frankfurt and Amsterdam offices.

Union case judgment reserved

THREE Appeal Court judges yesterday reserved judgment in an action which will decide the future of 39 engineers threatened with dismissal because of their refusal to joint a trade union.

One of them, Mr. John William Hill (63) has brought a test case against the employers, C. A. Parsons and Co., engineers, of Newcastle.

In August, Mr. Justice Brightman in the High Court held that Parsons would be committing a wrongful act against Mr. *Hill if* it went ahead with its threat to dismiss him.

But the judge decided he had no power to grant Mr. Hill, a £3,000-a-year contracts engineer, of Benwell Hill Road, Newcastle, the order he sought stopping the company ending his employment.

In May, 1970, the company reached an agreement with the Draughtsmen's and Allied Technicians' Association (DATA) under which membership of the union by employees was to become compulsory within a year.

Mr. Hill, and certain colleagues, are members of the United Kingdom Association of Professional Engineers, sponsored by the Engineers' Guild, and claim they should not be forced to join another union organisation.

N. Ireland welcomes Norwegian factory

BY OUR OWN CORRESPONDENT

LONDONDERRY, Oct. 22.

COMMERCIAL and trade union leaders in Londonderry to-day welcomed news of an *industrial* development which will provide 450 jobs.

The Norwegian company, Jorgen S Lien Industries, is to relocate from Bergen a major part of its manufacturing activities, including *calculating* machines and cash registers.

The company, operating under the name of Regna International, is taking over a 50,000 square feet Government-built factory at Springtown industrial estate.

Production will start early next year, and as the project develops factory space will be extended by 80,000 square feet.

More than 300 of the new jobs will be for men.

John Graham writes: The Government in Belfast welcomed the news not only for its direct value—the unemployment problem is chronic in Londonderry—but for its wider impact on life in the province. Northern Ireland has been short of good news for some time, and Ministers have been rattling the sabre of economic disaster if the troubles persist.

Yesterday they were quick to point out that the decision by the Norwegian company is typical of the response of many in the world of commerce to the troubles. They detect a spirit of determination in the business *community to win through* the current difficulties to a more prosperous future. Certainly, it is encouraging that foreign companies are still prepared to invest in Northern Ireland, for the day they abandon hope will be a bleak day even for a country that has known its share of bleakness.

NEW NORWEGIAN AGENTS FOR H&T

The Norwegian agency of Houseman and Thompson, specialists in the water treatment and chemical cleaning fields, has been taken over by Dedrick Halvorssen A/S of Oslo.

[U].K. move on heavy [C]ontinental lorries

[B]Y RAY DAFTER

[The] Government is to introduce [legisl]ation to ensure that heavy [lorrie]s from the Continent [compl]y with British regulations. [Th]e road haulage industry and [the G]overnment have expressed [conce]rn at the way "foreign [jugge]rnauts" up to 40 tons gross [laden] weight use British roads [while] U.K. operators are re[strict]ed to a maximum of 32 tons.
[Mr]. Eldon Griffiths, Parlia[ment]ary *Under Secretary of State* [for] the Department of the [Envi]ronment, said yesterday that [whil]e foreign-registered vehicles [and] their drivers should comply [with] British road traffic laws [there] were recognised enforce[ment] difficulties. A Bill was to [be] introduced in the coming [Parli]amentary session seeking [the] additional powers needed to [make th]e enforcement effective.
[It] is understood that one of [the] most important sanctions [woul]d be the power to order [good]s to be off-loaded from over[weig]ht lorries. Checks have [show]n that very few vehicles [ente]ring Britain are oversize, [but som]e are overweight.
[S]ome operators, both British [and] foreign, try to get away with [o]verloads of up to 18 tons [have] been detected recently," [said] Mr. Griffiths. He was speak[ing] in Felixstowe after watching [man]y lorries from Europe com[ing] ashore from the roll-on, roll-[off f]erry services.
[Th]e increasing importance of [the] east coast ports was bound [to] bring an increase in lorry [traff]ic from abroad and this was [rai]sing fears of threats to [ame]nity and safety in towns and villages as a result of the so-called foreign juggernauts, he said. Although Britain could prosecute there were severe practical difficulties in serving a *summons on offending drivers* during their short stay in Britain.

Rear markings for heavy and long vehicles

FOLLOWING representations from the road haulage industry, the new regulations requiring the fitting of specified rear markings to many types of commercial vehicle are to be amended to permit the markings to be fitted in certain circumstances to the load instead of to the vehicle itself.

Most vehicles of more than 3 tons and trailers over 1 ton unladen weight must be fitted with bright red and yellow rear markings as from November 1.

Vehicles of up to 13 metres in length must display a rear marking made up of diagonal red fluorescent and yellow reflective material fitted so that they slope diagonally outwards from the top of the marking. Those over 13 metres long must carry a "long vehicle" rear marking. *Vehicle-trailer combinations over* 11 metres but not more than 13 metres long may fit either type of marking.

The new markings must comply with British Standard BSAU 152, 1970.

[T]our operators row [o]ver Horizon letter

BY ARTHUR SANDLES

[HO]RIZON HOLIDAYS, one of [the] biggest U.K. tour operators, [has] told 400 hoteliers that in [fut]ure it will not put clients [int]o the same hotels as those [of] rivals Clarksons, Thomson, [Cos]mos, Blue Sky, Sunair and [Lu]nn Poly. The hotels will [hav]e to choose who to deal with [bet]ween now and the 1973 [sea]son.
[T]he action, revealed in a [let]ter which Horizon (owned by [Mr.] Vladimir Raitz) has sent to [hoteli]ers throughout Europe, has [inf]uriated other operators. Hori[zon] says it has made the move [t]o offer a certain standard of [ser]vice for clients and the com[pan]y."
Both Clarksons and Thomson [ar]gue that Horizon has been [for]ced to make the change be[cau]se its tours are more expen[siv]e and when the same hotels are used the price differential shows.

"There are very few overlaps," said Mr. Lionel Steinberg, a director of Thomson Holidays, last night. "But where we do use the same hotel we are often lower priced. We need lower mark-ups than they do.

"They do not want to seem to be more expensive than us, when, in fact, they are. Our product is as good if not better than theirs."

According to Horizon, sharing hotels sometimes produces difficulties. If the food is below standard and the company agrees to pay more to the hotelier to improve it, he cannot make any change unless the other operators using the property do as well.

The move does not affect 4S, the low-cost Horizon subsidiary.

Restrictions placed on Autonomics activities

BY KENNETH GOODING

[F]OLLOWING an initial review [o]f the position of Autonomics, [th]e major operating company [w]ithin the Miles Roman com[p]uter services group, the [r]eceiver and manager Mr. Colin [N]orth Smith of accountants Peat [M]arwick Mitchell has decided to [r]estrict its activity to the provi[si]on, for the time being, of the [se]rvice to existing customers.
He said in a personal state[m]ent last night that it would [th]erefore be necessary to reduce [st]aff immediately, mainly on the [s]ales and marketing side.

The debenture holders, Kleinwort Benson and the National Research Development Corporation, have provided the Receiver with a special fund to make ex-gratia payments to the 112 employees affected, equivalent to the payment in lieu of notice which they would have received in normal circumstances.

Mr. Smith said: "As regards the general future, I am still investigating the position and will make another announcement as soon as possible."

Ironfounders face a "long haul ahead"

BY DAVID WALKER

[A] WARNING that Britain's iron[fo]unding industry faces "a long [h]aul ahead" following a year of [u]nprecedented raw material price [ri]ses was given yesterday by the [J]oint Iron Council.
In 1970-71, it states in its annual [r]eport for the 12 months to June [3]0, many foundries with less than [a]dequate finances found them[se]lves in great difficulties trying [t]o recover higher costs at a time [o]f falling demand.
"The base from which many of them started was a weak one; too often castings had been under-priced by the seller or under-valued by the buyer," the council points out.
[It] is not surprising that more many are close to the point of decision."

The industry must not underprice its products, it declares, and customers, if they are wise, should not seek to use their purchasing strength unduly by depressing prices.

In the 12 months to the end of June, the council discloses, the majority of its member companies operated below *optimum levels*, at least for most of the period.

Total iron castings output in the year amounted to 3.59m. tons, 4.5 per cent. down on the total for the preceding 12 months. With adjustments to allow for the fact that the year to June 30 was a 53-week period, the fall becomes

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Markets and Mr. Nixon

DURING THE past few days there have been several economic indicators suggesting that output and profits are on a strong upward course; and the Chancellor of the Exchequer, Mr. Anthony Barber made it very clear at the Mansion House that he believes that the economy is moving ahead at least as fast as the Treasury planned. Yet Stock Markets have been hesitant and the net movement of share prices over the week has been downwards.

Part of the explanation is simply that markets have already discounted a good deal of economic expansion in advance. The 500 Share Index rose from just above 132 at the beginning of March to nearly 191 early in September—not far short of its 1969 record high. A pause for breath seemed inevitable; and the fall in Wall Street has clearly been a major influence in London. Yet there are other factors behind the failure of the market to climb above its early September peak

The uncertainties

One is worry about trade and currency uncertainties. There is a fear that if the present dispute between the U.S. and her trading partners is not resolved within the next few months, the U.S. will be well on into the Presidential election campaign and that no settlement will then be possible for some time. The optimists might give odds of 3 to 2 in favour of the surcharge being off by the time of the November 1972 Presidential elections. The pessimists might give odds of 3 to 2 against. But fears and uncertainties of this order must be an inhibiting factor.

A further worry derives from the Nixon wage and price controls. When the President's new programme was first announced on August 15 Wall Street was euphoric. Since then there have been second thoughts. In the nature of things, wage and price controls tend to bear down more severely on profits and prices than on wages. The London market is being influenced not merely by the direct impact of Wall Street, but by a half conscious fear of similar measures in the U.K.

So long as he is seen to be making progress in reducing the rate of inflation, and there is some prospect of unemployment eventually turning down in the wake of economic expansion, the Prime Minister will be able to resist these pressures. The September Index of Retail Prices shows the first sign that the "de-escalation" of wage increases has been followed by some de-escalation of price increases. Retail prices now stand, according to the official calculation, 9.9 per cent. above the level of a year ago. This is frighteningly high by the standard of all previous years. It is nevertheless the first time since May that the annual increase has been below 10 per cent. The October index to be published next month is likely to contain some seasonal adjustment which would allow a comparison to be made over a shorter period of months; and this could show much more impressive progress in reducing the pace of price inflation.

Yet the danger of price and wage control is by no means over. One testing period will be over the next few months.

Virtuous circle

The odds are that over the next 18 months or so the Government will be able to maintain a virtuous circle. Wages are not increasing as fast as they were; this autumn's bargaining climate is very different from last autumn's; many businesses put up prices to restore profit margins before the "CBI initiative" of last July; and the cuts in indirect tax have come as a further bonus. Thus for a time expectations of lower inflation will help to keep down wage increases and thus enable still further reductions in the rate of inflation to take place.

Yet many of the forces involved are by their very nature temporary. The Chancellor cannot carry on cutting indirect taxes indefinitely. Indeed he may have to move in the other direction when VAT is introduced in 1973. For a time the economy can grow much faster than its underlying rate by taking up slack; but this too cannot go on for ever and the amount of slack is probably less than the unemployment figures suggest. By the winter of 1972-3 the labour market may well be tightening; and if the U.K. faces EEC entry with a rate of inflation higher than its competitors the pressures on the Government to act will be very grgeat.

The fact that prices and incomes policies usually discriminate against profits and against the faster-growing or more adventurous firms is itself a long run argument against them. But, unfortunately, policy is not always determined by long term considerations; and it will be a near thing whether or not the U.K. can enter the EEC without moving some way in the Nixon direction.

Prospects for the U.S. economy are probably best seen now in terms of the many important and unanswered questions about the outlook for post-freeze wages and prices, currency realignment and freer trade, writes

Paul Lewis, U.S. Editor

Nixon's change of direction

President Nixon and George Meany of the AFL-CIO: a fair measure of support from labour for the incomes policy.

THE American economy presents a confusing picture just two months after President Nixon's historic August 15 announcement. From one point of view the last few weeks have been encouraging. The Administration's new incomes policy is starting to emerge and has already won a fair measure of support from labour and public opinion in general. Some of the indicators are looking a shade better and —most striking of all—there has been a bundle of optimistic forecasts about the medium-term outlook.

Only last week-end, for instance, the Business Advisory Council published its own study suggesting that most American companies now expect a real growth rate of between 5 and 6 per cent. next year compared to only about 3 per cent. in 1971. At the same time price inflation should slow down from around 6 per cent. to 3 or 4 per cent, while by the end of the year unemployment should also be on a downward trend. The Chase Manhattan Bank is even more bullish with its forecast of a 6.3 per cent. rise in real growth backed by a 10 per cent. increase in business investment and a complete turnround in the balance of payments. In Paris the OECD has also taken a favourable view.

Wall Street's reaction

Yet the curious fact remains that Wall Street has shrugged off all this news and equity prices have now lost the gains they made in the days just after the President's August broadcast. The bond market moved sharply ahead, but this reflects the belief that the Administration will engineer a short-term fall in interest rates under cover of its incomes policy. On a longer view it is uncertainties about the outlook for wages and prices, international trade and the whole new direction on which the U.S. economy has suddently been launched that have made caution the dominant note of the equity market.

Nor is this view confined to the investing community. It was probably to be expected that Professor Milton Friedman would compare the whole incomes policy experiment to nailing the lid on a boiling kettle. But it was noticeable too, that none of the major corporation leaders at a recent meeting of the Business Advisory Council was prepared to say the President's programme had made any difference to his company's plans and most felt they had compelling grounds for a price increase as well. Labour has already warned that the President's 2-3 per cent. target rate for inflation is unrealistic, and relations with the White House grow cooler as the day approaches when hard decisions must be taken on such explosive matters as the fate of wage rises held up by the freeze.

There are, in fact, many important and unanswered questions about the outlook for wages and prices in the post-freeze era just as there are about the prospects for a smooth realignment of currencies or preserving the progress made since the Second World War towards freer trade. And on the whole it is probably correct to subordinate any firm estimate about the prospects for the American economy to these questions since the Administration has made clear that the key to its policy is a public and permanent victory over inflation and the restoration of confidence in the longer-term for the U.S. as a major economic power.

When President Nixon was first elected some three years ago, he inherited an economy that had become seriously overheated from his predecessor's attempt to fight a war in Asia and build the Great Society at home. With four years in office before him, he decided on the simple tactic of breaking the back of inflation in the first two years and then sitting back to enjoy two further years of balanced recovery that would carry him into the White House for a second term and give him the historic chance to preside over the 200th anniversary of the Declaration of Independence of 1776.

Relentless price rise

Although the economy did finally turn down last year, and with something of a vengeance in response to monetary pressure, prices continued their relentless rise, and when the Federal Reserve reversed its policy early this year and began to expand the credit supply, demand remained obstinately weak while inflation still showed no response to the earlier period of restraint.

As a result, the President found himself forced, by the prospect of the election which is now only one year away, to do exactly what he has tried to avoid—expand demand at the same time as he is still grappling with inflation.

In fact the American economy has been on a slow if jagged recovery course for most of this year. Gross National Product rebounded sharply in the first quarter after the exceptional set-back caused by the automobile strike at the end of 1970, to achieve a growth rate of nearly 8 per cent. at annual rates. Although it fell back to a little over 4 per cent. in the second quarter, the average rate for the half year preceding the introduction of the new programme was still nearly 6 per cent.

However, this had very little effect on unemployment, which fell only marginally from an average of 6 per cent. in the first four months of the year to 5.9 per cent. between May and August. Although industrial production began to creep upwards in the early months, it too declined between May and August, while manufacturing investment remained flat and personal savings stayed over 8 per cent. for four straight quarters. During the first half year as a whole the trend of retail and wholesale prices showed no significant improvement.

Moreover, around the middle of the summer some of the indicators took an unexpected turn for the worse. The July fall in industrial output was compounded by a decline in retail sales and a jump in both consumer and wholesale prices. At the same time the payments deficit was becoming an increasing source of deflation at home and unrest abroad. Even third quarter GNP, we now know, was disappointing. Whether these figures were an aberration or not, they put in doubt all the signs of gradual progress registered earlier in the year and pushed the President into action.

In essence the August 15 programme was an effort to secure and accelerate the recovery by stimulating investment, righting the trade deficit and breaking the wages and prices spiral. But it was also an act of personal political self-preservation, for time was running out fast and the President had only twelve months to accomplish the economic goals he had originally hoped to spread over four years. And it is this aspect of the programme that accounts both for its sweep and daring as well as for the odour of ruthlessness that surrounds the Administration's handling of the import surcharge and some other of its provisions.

Yield from surcharge

The fiscal portions of the package are likely to add at least $1,300m. to demand, or rather more than 1 per cent. of GNP. In the form in which the Bill passed out of the House Ways and Means Committee earlier this month, Treasury revenue will be reduced by $8,000m. as a result of the investment and personal tax reliefs, while this will be partially offset by a $5,000m. cut in Federal spending and the anticipated $1,700m. yield from the import surcharge.

How rapidly the investment credit will work through the economy is a matter of conjecture, however, when industry is operating at only 75 per cent. capacity. But some further impetus should come from the budget deficit which is now running over full employment balance. And since there are many in Congress who feel that a more direct boost to personal consumption would be in order, it is quite possible other tax cuts will be added to the August 15 Bill before it finally becomes law.

The correction of the deficit should also have a reflationary effect, and the Administration has never disguised that the growing loss of domestic production through foreign imports was a major reason for the surcharge. Indeed, in the capital goods field the effective barrier has become very much higher than the nominal 10 per cent. level of the duty, since the 7 per cent. investment credit is restricted to domestic goods so long as the surcharge remains in force. When parity differences are added, the real level of protection exceeds 25 per cent. in the case of a country like West Germany, which has let its currency appreciate substantially, but is still some 17 to 20 per cent. in the case of British capital goods such as machine tools.

But while in theory this should have a rapid effect on imports, the Administration still claims it is ready to trade the surcharge against a parity re-alignment that would not necessarily offer an equivalent level of protection. Moreover, to this uncertainty must be added the possibility that if negotiations fail the world might slip back towards a more protectionist attitude in general, which would have some effect on the prospects for an American recovery, even though it might do more damage in the end to the Europeans who rely more heavily on foreign trade.

Although no one knows for certain why the economy has been so slow to respond to the monetary and other stimuli applied during the first half of the year. It is gener assumed that the high level inflation has been a pot factor. Consumers have t to maintain their real savin businessmen have held back investment, and expectati have been generally depres by the high level of unemp ment which in part resu from the earlier attempt curb price rises by conventi deflation. Efforts to revive economy merely increa inflationary fears, and as Burns of the Federal Rese said earlier in the year: " rules of economics don't se to be working in the way th ought to anymore."

The national psychology

The current freeze and t incomes policy that is to f low it are basically an atte to break out of the vici circle and create a new p pect of price stability. T should itself unleash the r reflationary potential of t package, to say nothing of year of record savings and months of rapid increase in t money supply. Although a estimate of the result of w is essentially an attempt to al the national psychology bound to be guess work, t chairman of the Council Economic Advisors, Dr. Pa McCracken has said that an to inflationary expectati could add $8,000m. to the demand—or as much as all th other tax measures put togethe

In economic terms, therefo the incomes policy is the mo important single element in th Nixon package and the on on which the success of th other parts primarily depend Although only a few month ago his whole approach wa considered blackest heresy in the Administration, officials sole themselves to-day with argument that it should easier to secure a quick trade between wage restraint and lower inflation and therefore win support for the policy a time of cost-push inflatio than it was in Britain, say, where demand was much stronger.

But while only time will show how well the approach works in a country where the free enterprise spirit is so deeply ingrained, at least the outright freeze has had the desired impact on the September figures which showd a fall in the wholesale price index. In other areas of the economy it is also too early to say with certainty that the tone is improving, although car sales have shown the expected boom in response to the cut in excise duty, and a more buoyant trend seems to be developing in both consumer credit and retail sales.

Letters to the Editor

Brokers' services

Sir,—Lionel S. Goslin's comments on stockbrokers illustrate a lack of knowledge of either business or stockbroking, or probably both.

In the first instance, he must appreciate that in order to pass an authoritative opinion on any person's portfolio, a broker, however large or small, needs details of existing holdings in order to avoid duplication, at the very least, and also to establish some idea of the client's requirements. Furthermore, request for cost prices would imply the broker's wish to calculate any liability or possible loss relating to capital gains tax for which, I might add, he would doubtless ask no fee, which compares rather favourably with other professions.

It is not our plan to deter any investor, however large or small, but there are many whose demands go beyond reasonable bounds and will be serviced accordingly.

W. R. J. Walker.
3, Whitehall Gardens,
Chiswick, W.4.

Provincial expertise

Sir,—The difficulty which Mr. Goslin (October 16) met in trying to find a London broker who would deal with his investments confuses two matters: first, obtaining investment advice and, secondly, having bargains carried out.

One must accept that providing investment advice in any detail is becoming very costly and can be done without charge by a decreasing number of stockbrokers, particularly in London. At one extreme there are stockbrokers who expect the advice to be given and paid for by their clients through an associated merchant bank and it is not surprising that many other brokers expect only to provide advice free of charge if the bargains which they carry out are of reasonable size.

The solution of using provincial brokers, whose time is at present less expensive, may not be available for everyone for geographical reasons but, even so, Mr. Goslin's remarks need some qualification. I have used the services of a large number of both London and provincial brokers and my experience is that in relation to mistakes, expertise and speed, the provincial brokers are not inferior; it is very difficult to compare the prices of dealings owing to variations within a single day but, after referring to the bargains marked in your newspaper, I have never found any grounds for dissatisfaction.

As an example, 1,200 Prudential Ordinary shares were sold through a member of the Northern Stock Exchange on October 15 at 175p and the prices recorded by you (including purchases) varied between 172p and 178p.

It should be remembered that many provincial brokers, including those who are members of the Midlands and Western and the Northern Exchanges, deal out of London, and in many cases through provincial jobbers, so that the possible delays of dealing through London correspondents are generally avoided.

R. B. Stringfellow.
27, Arndale Road,
Sherwood, Nottingham.

TV cameramen

Sir,—With regard to Mr. Samuel Little's letter (October 16) I agree with T. C. Worsley's the TV cameramen do a magnificent task (whatever the type of programme) and I was delighted that he had praised them. I am not a sports fan but I do enjoy the camerawork, both in and out of the studio.

I am not forgetting the skill of the director and neither was Mr. Worsley, but it may be that Mr. Little does not realise that on sports OBs in particular, the cameramen have of necessity to use their own initiative in deciding which shots to offer. There is a camera rehearsal, during which the functions of each camera are planned by the director, but this can only be very general, because obviously when the match is taking place the progress of ball and players cannot always be predictable.

Certainly the director has a say in the camerawork. But it is necessary to leave it to the cameramen to make many snap decisions on angle of view, zooming, panning and so on; they must closely and instantaneously follow the progress of the game with their camerawork, and this they accomplish with great skill.

As OB producer Alec Weeks says in the current issue of Radio Times, in the section on the televising of football matches: "During a game, if you have to tell the cameraman about a shot, it's too late." This applies not only to football, of course, but also to golf and to all other sports.

Television production is essentially teamwork, so it is a case of "credit all round," but I would give a little extra credit to the cameramen.

Julia M. Hydon.
38, Austenwood Close,
Chalfont St. Peter, Bucks.

Cut crystal for wine

Sir,—One would expect Mr. Joseph Webb of Stourbridge (October 16) to advocate cut crystal wine glasses, but he would not have the support of experienced wine drinkers, professional and amateur, in the leading wine districts of France. For example the carefully chosen glass of the Académie du Vin de Bordeaux is a plain, elegant glass made by Baccarat, unmarked save for the lightly imprinted seal of the Académie.

The pity is that the British glass trade seems now incapable of producing at economic prices wine glasses generally deemed suitable by wine merchants and their more interested customers. Consequently they have to be bought from Scandinavia, Czechoslovakia or France. This includes the glasses of Berry Bros., recommended in my article; formerly produced in Scotland, they now have to be obtained abroad.

Edmund Penning-Rowsell,
Bracken House, E.C.4.

Unit trusts

Sir,—I have watched with considerable interest the correspondence relating to the misfortunes of the unit trust industry, which would appear even worse if all unit trust linked policies were excluded from the published figures.

To date no one has suggested the true reason. The industry is a victim of its own image building. In the palmy days of the last bull market the advertisements suggested that unit trusts were efficient money managers. I requested information from one, on their current policy of going more liquid and received a very noncommittal reply. Events proved that they—in common with many others, if not all—did nothing. I realise the difficulty confronting the organisations, but had they ceased to invest in equities and possibly slightly reduced their holdings, no further damage would have resulted to the stock market. Their claims relating to the efficient management of money would have borne scrutiny.

The results are those that could be expected. The unsophisticated first time investor in equities—as a hedge against inflation—has taken fright and the more sophisticated ones have decided to manage their own small portfolio. Both views will result in sales of unit trust investments. It might be best, if in future, managers would clearly declare their policies, which is to invest all funds placed with them in equities. This would be more honest, even though it would have resulted in early sales, thus depressing the market still further.

C. P. Morton.
142, Arkwrights,
Harlow, Essex.

Graduates' salaries in universities and elsewhere

Sir, — In an otherwise admirable article, Michael Dixon your Education Correspondent in his advice to graduates (If you want to make money stay at University, October 16) puts forward a number of points which may be very misleading to those who wish to make the best choice of a career.

The graph showing relative earnings of chemists in university, in private industry and in central Government does not compare like with like. It gives the impression that university teachers will all become professors, whereas in fact, only 3,000 odd of the 26,000 university teachers are in this grade. In central Government, however, the possibility of graduates reaching the professorial salary scale is in the proportion of one to one if the graduate chooses to go into the Administrative Class of the Civil Service.

This leads on to the advice that Michael Dixon should have given to graduates, namely that if they really want to get ahead in the material sense and in respect of conditions and salaries they should in fact become Civil Service administrators. Any graduate taking this route is assured of a salary of £4,400 p.a. against the university graduate's £3,417 p.a. In addition the "bureaucrat" has a non-contributory superannuation scheme against the contributory one of the university lecturer. First-class travel and a good subsistance rate, generous removal expenses, add to the desirability of a career as a Civil Service administrator —and all this with the majority of direct entrant staff in the Administrative Class only holding first- or second-class degrees. On the other hand according to the Department of Education and Science and the Association of Education Authorities in a statement made only three weeks ago, 66 per cent. of university teachers have higher degrees and in the words of the above bodies are the "most highly qualified profession."

From your article it will be assumed that university dons may add to their earnings by consultancy arrangements whereas in fact recent figures show that certainly as far as the lecturer grade is concerned (and these represent the bulk of the university teachers) the majority do not add to their university earnings in any way whatsoever.

I hope that these facts can be borne in mind by any graduate contemplating a career since the best advice that can be given to him from a material point of view is to become a member of the Civil Service elite—the Administrative Class in the Civil Service—when he can be assured of a future where, at practically every stage of his career (except for the first two years) he will be earning more than he would have done had he gone into university teaching.

We are trying to rectify this situation since we feel that a profession which has such a high proportion of higher degree people and which has produced 11 Nobel Prize winners should be remunerated at no less a level than the Civil Service graduate administrator.

Laurie Sapper,
General Secretary,
Association of University Teachers,
Bremar House,
Sale Place, W.2.

[Michael Dixon writes: My figures do compare like with like —people holding similar professional qualifications. Those employed in universities range from professors down to lecturers, those in industry from directors down to research workers "on the bench."]

NHBRC guarantee

Sir,—Mr. Oliver wrote to you (September 18) asking why no certificate had been issued for his mother's house although it had been completed many months ago.

The fact is that the builder failed to remedy defects and has been expelled from the Register.

The legal position now is complex but we are explaining to Mrs. Oliver's solicitor the various remedies now open to her. The mills, I fear, grind slow but any significant defects in her house will be corrected at no expense to her.

P. McKinney,
Information Offices,
National House-Builders Registration Council.
58 Portland Place W1

Britain and the world food prices storm

BY GODFREY BROWN of our Commodities Staff

g WILL be keener than n's housewives to see Food ter Mr. Prior's optimistic rks in the Commons this about world food prices true. With the retail food index now standing at 12 per cent. higher than e same point last year— itself saw an almost con- us 10-point rise between ry and December—house- s are as keen as Ministers ome small crumb of com-

ucial

Prior told the House there signs that the world food s storm was blowing itself Prices were stabilising and not going to continue in- ing at their present rate. Britain is the world's big- food importer, buying half its requirements abroad, the level of world is obviously crucial. Mr. estimated that between 30 50 per cent. of the increase od prices last year was due gher world prices.

t on looking into the basis e Minister's claims, it is to find much concrete ence on world price trends stify his optimism. It prob- owes more to a subjective instinctive "feel" that the ful pace of the increases we seen already is unlikely to maintained, than to hard

utter, for example, which soared from £330 a ton to a ton (for New Zealand) matter of months, is un- y to continue rising at such e. On this basis a further er cent. increase would look e modest, but it would be a ton, which is equal to an- r 2½p a pound in the shops, such an increase seems not hat unlikely.

ritain produces only about per cent. of its total butter ply of nearly ½m. tons, and in buying the rest from abroad it accounts for around three-quarters of world butter exports. At this time of the year, with the Northern Hemisphere winter approaching, Britain will be looking increasingly to New Zealand and Australia who normally supply nearly half our total butter supplies.

Australia's new season has got off to a poor start, with its main milk-producing state, Victoria, hit by drought at one end and too much water at the other. It is too early to predict the outcome of the New Zealand dairy season, but the expectations are that supplies in the 1971-72 year will be slightly lower than in the previous season, so there is little prospect of any supply increase from this source in the immediate future. Common Market butter stocks at the beginning of last month were reported to be precariously low at about 180,000 tons against 322,000 tons a year earlier.

At the same time it must be admitted that there are indications that on one or two food fronts, wholesale prices are easing back from their peak levels for purely domestic reasons which have nothing to do with world price movements. Examples here include eggs, bacon, lamb and pork.

Reversed

Whether these movements will result in cheaper food in the shops is another matter, since quite apart from raw material prices, inflation is doing its bit to keep prices up. Shipping, transport, cold storage and labour charges are all rising steadily.

On the world food front, the biggest turn-round between this year and last has probably been in the grain market. This year has seen substantial increases in world grain crops, including a record maize harvest in the U.S. and what is probably a record 14.5m. tons cereals harvest in Britain.

It was the failure through disease of the U.S. maize crop last year that started cereal prices on their sharp upward course, aggravated in the U.K. by poor grain crops both here and in much of Europe. This year the situation has been reversed, last year's shortages and high prices sttimulating plantings in the major producing countries. But the British consumer will benefit only indirectly from this greater grain availability and cheaper prices.

Of the 22.5m. tons or so of cereals used each year in this country, about 17m. tons is used for animal feeds and even that which is used for direct human consumption has a high added value content. The cereal price accounts for only about 30 per cent. of the cost of bread, for example. Processing, distribution and selling costs account for most of the remainder.

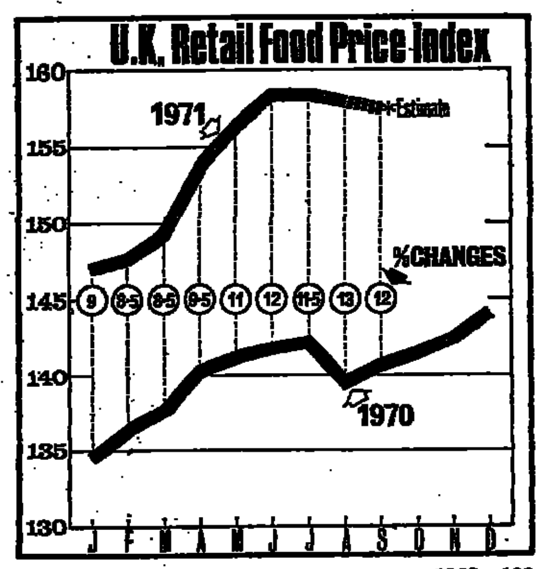
Another reason why British consumers will not necessarily benefit from the greater world availability of grain is the steady rise in the minimum import prices used, as in the Common Market system, to prevent the British farmers' own market being undermined by low-priced imports.

However, the big U.K. crop means that much lower prices are being paid for home-produced grain this year, and this should reduce production costs of eggs, poultry, pigmeat and beef.

The meat side does seem to bear out Mr. Prior's optimism, the imported beef price rise having slowed down from about 15 per cent. over the 1970 level last month to 10 per cent. in October, while lamb and pork are both cheaper at wholesale level than a year ago. Since meat accounts for nearly a third of total household spending on food, any reductions here are particularly welcome.

This is, in any case, the period of maximum home production of both beef and lamb, so an

Mr. James Prior, Minister of Agriculture.



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easing in prices is to be expected. A year ago, in fact, there was a "mini-glut" of beef at this time because farmers, frightened by the prospect of high feed prices, marketed their cattle instead of holding them over the winter for the higher prices usual in the spring.

Shortage

This incentive to market stock in the autumn "flush" period has been removed by the good grain harvest this year, but there is still a seasonal increase in marketings at this time. Both the Meat and Livestock Commission and the National Farmers' Union have forecast an increase in U.K. beef production next year, the latter predicting an increase of possibly 50,000 tons. But while Britain has become increasingly self-sufficient, supplying about 80 per cent. of total supplies of 1.2m. tons, the level of imports could well hold the key to future price levels.

There is a general world trend to switch from dairy production—where until recently prices have been very depressed —into beef, where there has been a world shortage. Ireland, now the major "foreign" supplier to the U.K., is expanding beef output, and increased supplies from this source seem likely. Australia, too, is getting in on the beef boom, although it prefers to supply the more profitable U.S. market. A Soviet meat-buying mission is also expected to visit Australia soon and place another meat contract.

The other major beef supplier to Britain, Argentina, is still suffering from an acute shortage of cattle and high domestic prices which are reducing export availabilities. Supplies to the U.K. from this source in the coming months are expected to be around 1,000 tons a week, rather higher than the levels a year ago.

The operation of the meat import levies introduced in July will, however, prevent British consumers getting the benefit of any substantial fall in prices. A good growing season has boosted U.K. production of mutton and lamb from earlier depressed levels, and prices have fallen partly in response to the increased supply, aggravated by the closure for much of the year of the export market to the Continent, and partly because the lambs are rather heavier than is normally required.

After the turn of the year we will become more dependent on supplies from New Zealand, which provides more than half our needs, but a big question mark hangs over these because of the low prices being offered by the meat companies, who have been faced with a 28 per cent. freight increase and a doubling of the U.K. import levy.

'Boom or bust'

The New Zealand Government has appealed to Britain to lift the levy, and the NZ Meat Board is contemplating taking over the marketing operation. What the outcome will be is anyone's guess. A big factor on the prices front is the unusually high cold store stocks of New Zealand lamb in this country, bought in the expectation of higher prices which have not materialised.

World trends have little influence on Britain's pigmeat supplies, since we are almost completely self-sufficient in pork and are the major bacon market. Pig production is expected to reach record levels this year, but the market has remained generally firm in the circumstances because a Government subsidy to the bacon curers has enabled them to pay more than the pork market. Despite an oversupply of bacon, prices had until two weeks ago been rising to a record level, largely because of the firm grip on the market of Denmark. Prices are now falling back, but are still well above the five-year-lows reached earlier this year.

Changes which the Government is contemplating in the bacon subsidy could suddently reduce the bacon supply and increase the proportion going to pork, bringing a fall in prices there. But the signs are we are at the peak of the notorious "boom or bust" pig cycle, the expansion of the breeding herd has been checked, and we could well suffer later on for the cheap prices now.

With feed accounting for about 60 per cent. of broiler chicken prices, supply prospects here look rosy given the fall in domestic grain prices. However, broilers have taken the brunt of the worst-ever epidemic of fowl pest disease, which has now been going on for over a year and is expected to flare up again this winter. Despite this, supplies and prices have remained constant, so far.

Egg prices have plunged in the last couple of weeks, but it is virtually impossible to forecast the future price trend in the free market conditions now ruling in the absence of the Egg Marketing Board, which used to buy up any surpluses. Chick placings, the guide to future production trends, have been rising again after a long period of decline, probably because of the cheaper feed prices.

There is little pleasure for the consumer in the outlook for fish prices, the increases of the last two years being expected to continue into 1972.

The factors that have led to a rise of, for instance, 24 per cent. in the price of cod fillets between August last year and this, are still expected to hold good in 1972. They are basically the continued buoyancy of the U.S. market and a fall in catch rates in the North Atlantic. The latter is largely cyclical and it is likely to be a number of years before a return to big supplies.

Intervention

Potatoes seem likely to be cheap again this year because ideal growing conditions have offset a reduction in acreage. The Potato Board and the Government, which last year spent £18m. taking surplus potatoes off the market, are ready to intervene with support-buying operations again. As for other vegetables, a great deal depends on the weather in the next two months, but growing conditions have again been very good.

In fruit, despite a record Cox apple crop, prices are firm and likely to remain so. Grapefruit, which have been very expensive, are expected to ease in price with the arrival of supplies from Israel and Cyprus. Oranges have been in fairly short supply but prices here are likely to ease with the arrival of supplies from Spain and Israel.

In general it seems that at last raw materials price movements do offer some grounds for hoping that at least the rate of increase has been checked, and for that much we can be thankful.

Labour News

BSA committees to manage work-in

BY ALEX HENDRY, LABOUR REPORTER

P. stewards at the BSA or-cycle factory in Birming- yesterday set up two com- ees to manage the work-in have threatened in reply e company's decision to sack workers.

d in London, union officials Sir John Eden, Minister for stry, to put proposals for redundancy notices to be ayed until an inquiry estab- ed if there was an alternative the factory being rundown.

r. Bob Wright, executive ber of the Amalgamated on of Engineering Workers, later: "We sought the meet- because the company refused make a joint approach to the artment of Trade and ustry."

e added: "We have said that Government will intervene, nions will participate in a operation in which the nment can set up an ry. The Minister told us he does not hold out any e of a change in the position that the Government has not n consulted by the company." r John Eden told the unions he would seek an early portunity to have further talks the BSA management. But stressed that the decision to onalise BSA production—the mpany is transferring embly of its BSA motor-cycles its Triumph plant at Meriden, ventry—had been forced on company by commercial considerations flowing from the problems which have been building up over several years.

About 1,000 BSA workers at Birmingham have been given their redundancy notices. The other 2,000 are due to be sacked before the end of the year.

Mr. Harold Robinson, vice-chairman of the stewards joint committee, said they accepted that a number of those made redundant in the first phase might accept the notices. He said some of them had worked with the company for only a few months.

Mr. Robinson said that in July motor-cycle production had been forecast at 75,000 machines a year. This had later been reduced to 40,000. The unions wanted an inquiry because, if a mistake had been made with the first forecast, it was possible that the second one also was wrong.

More than 3,000 workers at the British Steel Corporation's River Don works in Sheffield yesterday decided to reject planned redundancies and stage a "work on."

Over 4,000 jobs at the works are threatened by a BSC reorganisation scheme which proposes to hive off part of the works to private industry and close down unprofitable plant.

A spokesman for the British Steel Corporation said last night that about 240 redundancies were to take place in the next two weeks, but these were not in any way connected with the "hiving off" proposals.

Union to decide to-day in toolroom dispute

BY MICHAEL HAND, LABOUR CORRESPONDENT

GINEERING UNION leaders Coventry will decide at a ial meeting to-day whether call off the series of one-day kes by more than 7,000 tool- om workers which has disrup- engineering and car fac- ies every Monday for the past weeks.

he meeting of the local dis committee of the Amalga- ted Union of Engineering orkers has been called to hear report of recent talks between ion leaders and the Coventry gineering Employers Associa- n to try to find a solution to ir increasingly bitter dispute er the method of fixing tool- om pay rates in the area.

The union has been trying to rce the employers to change eir minds about abandoning an reement which had been oper- ing since the war and tied tool- om rates to the average of ghly-paid production workers. he AUEW wanted this or a simi- r arrangement to continue but e employers have been insist- g that it is inflationary and ust be replaced by individual ... bargaining ... meeting have brought some hope that a compromise may be in the air but last night neither side was prepared to give any encouragement to that feeling and it is clear that their exchanges have reached a very delicate stage.

There is no doubt, too, that if the union does decide to go ahead with its seventh strike on Monday, threatening the jobs of up to 20,000 other workers at nearly 50 factories, the employers will—as they did last Tuesday—lock-out the strikers for the following day.

Car disputes

More than 200 Triumph gearbox department workers at Coventry were laid off yesterday because of the four-day strike by 38 fitters who service equipment. Their strike is a protest at Tuesday's lock-out.

All car assembly at the Jaguar plant in Coventry was stopped when 1,500 workers had to be sent home, following a piecework dispute involving six men.

GLC cutting home loan rate by ⅝%

BY SANDY McLACHLAN

THE Greater London Council is cutting its home loan rates by ⅝ per cent.—fractionally more than the ½ per cent. cut recently announced by the Building Societies Association. From Monday, new borrowers will pay 8¼ per cent. on a GLC mortgage, still ¼ per cent. above the recommended BSA rate.

Since GLC mortgages are negotiated at fixed rates of interest, there will be no advantage to the GLC's existing 64,000 borrowers.

The GLC has been able to make this reduction because of cheaper borrowing. It raised £50m. this week at 7¾ per cent., while a year ago it had to offer a 9¼ per cent. coupon to get the same sum at an isue price of 97½.

Traditionally, the GLC rate for mortgages is ¼ per cent. above the building society rate. However, the GLC was forced to break away from this pattern during the high interest rate period and was charging 9¼ per cent. at one stage. The reduction announced yesterday is the second within six months and during that period rates have come down by a full 1 per cent.

100 per cent.

In common with other local authorities, the GLC mortgage scheme is designed to help those who, for one reason or another, find it impossible to get a building society mortgage. In the GLC's case, refusal by a building society is a condition for a loan. Although the rate charged is slightly higher than the building society rate, the GLC will give 100 per cent. mortgages, an attractive feature to the first-time buyer who may find difficulty in raising the deposit required by building societies.

BSC considers 5% rebate to meet Japanese threat

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

THE British Steel Corporation, concerned about fierce Japanese competition, is considering a plan to offer some leading U.K. stockholders a form of loyalty rebate, equivalent to a 5 per cent. price cut, if they take a specified annual tonnage of flat stainless steel products from BSC sources.

Significantly, none of the stainless steel stockholders involved in negotiations with BSC over the scheme handle imported stainless steel. Even companies which handle a considerable amount of BSC steel as well as imports are not included in the plan.

Inevitable

Some retaliation by the State-owned steel concern was probably inevitable, following reports that Japanese producers have been offering to sell steel at U.K. prices less 5 per cent. on the British market.

But the selective nature of the list of companies approached by BSC, believed to number only six, could cause an adverse reaction among stockholders left off it.

The whole situation could change before the scheme really gets under way, however. There have been indications in the last few days that Japanese steel producers are ready to agree to voluntary restraints on the speed with which they try to expand in the British market.

Discussions on the issue have have been taking place at Government and industrial level for the last six weeks, and the problem of rising steel sales by Japanese steelmakers in Europe generally is likely to be raised at meetings which will be attended by leaders of the Confederation of British Industry

On Tuesday, Sir John Partridge, CBI president, and Mr. Campbell Adamson, director general, will attend a meeting in Brussels between industrialists from the applicant countries for Common Market membership—Britain, Norway, and the Irish Republic—and the CBI's Japanese counterpart organisation.

Relations

Then, on Thursday, members of the Japanese industrial federation will visit the U.K. for discussions on trade relations between Japan and Britain in the light of the present economic and monetary situation.

Within this context, the difficulties created by the Japanese increasing exports of such products as steel to the U.K. because of restraints on trade with the U.S. are virtually certain to be raised.

Strike by steel erectors ends

THE unofficial strike by 120 steel erectors rebuilding the fire-damaged Britannia rail bridge over the Menai Strait ended after a lunchtime meeting yesterday. They had been expected to return to work on the morning shift, but only 28 did so, according to a spokesman for Cleveland Bridge, the contractors for British Railways.

The spokesman said work had now resumed on the basis of the terms of employment agreed between the union and the company. A meeting between the company, the union and shop stewards of the constructional section of the Amalgamated Engineering Workers' Union had

COMPANY NEWS + COMMENT

Paterson Zochonis up £0.4m.: paying 17%

A FINAL dividend of 9.5 per cent. by Paterson Zochonis and Co. raises the total to 17 per cent. for the year to May 31, 1971. This compares with a forecast of not less than 14 per cent. and with a total equivalent to 13.6 per cent. for the previous year adjusting for a one-for-four scrip issue.

A further scrip issue, this time on a one-for-ten basis, is proposed and the directors consider that not less than 16 per cent. will be paid on the enlarged capital for the current year.

Group pre-tax profit advanced from £1,746,230 to £2,152,000, after a first-half increase from £914,000 to £1,025,000. The company is engaged in merchanting in West Africa.

	1970-71 £	1969-70 £
Group revenue	2,945,066	2,593,267
Depreciation	369,975	331,840
Interest payable	422,764	515,197
Profit before tax	2,152,329	1,746,230
Taxation	1,080,838	931,429
Net profit	1,071,491	814,801
Attributable	1,065,845	732,579

● comment

In line with its six-year record of an annual 20 per cent. compound growth in pre-tax profits, Paterson Zochonis has lifted 1970-71 profits by just over 23 per cent. After initially falling lower on the figures, the "A" Ordinary shares closed last night at 425p, a 55p jump on the day. Although it would be easy to suggest that this growth follows the buoyancy of the Nigerian consumer market (probably the focal point of the group's interests) following the recovery in oil production, the only snag is that even during the civil war (when the consumer market was to all intents and purposes non-existent), the group continued to move ahead. In the circumstances, it is probably more accurate to credit the inherent momentum of all the West African operations with the advance. In spite of continually turning in rapid growth, PZ's shares are still only on a 9.4 p/e. Unfortunately the market continues to be suspicious of such so-called "low quality" African earnings.

Vic Hallam looks to second half

FIRST-HALF profits of Vic Hallam have declined from £226,000 to £213,000, but after a lower tax charge the net balance improved from £111,500 to £114,500.

Although the ultimate costs of the cabinet division's move to its new factory have yet to be finally determined, directors anticipate that second-half group trading will show some improvement over the first. The second half of 1970 produced £49,000 pre-tax.

The interim dividend is held at 6 per cent. for 1971. The total for 1970 was 21½ per cent., paid from a net balance of £156,000.

The first-half period has been one of change and progress in some areas, and of realistic consolidation in others, the directors report. The cabinet division moved early in August and is already exceeding the high levels of production achieved in the preceding months: this "encouraging situation" will continue during the months to come.

	Six months 1971 £	1970 £
Trading profits	347,000	345,000
Depreciation	75,000	75,000
Interest	59,000	44,000
Profit	213,000	226,000
Corporation tax	93,000	109,000
Pref. redemp. res.	3,500	3,500
Net available	114,500	111,500

Within the timber buildings division the new "mobile" products are making good contributions to sales, while the diversification policy of the contracting division is well under way. Several private housing developments are in progress and others are planned for the near future.

The engineering sub-division is affected by the dullness in the industry nationally, and this situation is under constant scrutiny.

2½% more by Newman Granger

MANUFACTURERS of screw threaded jacks, etc., Newman Granger Industries, is raising its dividend from 14½ to 17 per cent. for the year to July 31, 1971, with a final of 10 per cent., and proposes to make a one-for-three scrip issue.

Group pre-tax profit increased from £144,103 to £221,295, after £98,546 (£65,662) for the first half. The year's net figure came out at £135,255 against £81,753 after tax of £86,040 (£62,350). Retained profit was £84,255 (£38,253).

The results are due to an increase in turnover following the re-organisation of the group, the directors state. The precision division is "recovering well" following the Rolls-Royce collapse.

● comment

Newman Granger is still pushing ahead with pre-tax profits 53½ per cent. higher after a 50 per cent. first-half rise. Apart from benefiting from the reorganisation initiated last year the group has also been boosted by the current buoyant conditions in the motor component industry, and a major contract from Volkswagen in West Germany. Although Newman has diversified into the agricultural market, the motor industry still accounts for about 70 per cent. of turnover. As 1970-71 took in only about three months of the VW contract and the start of the motor industry's revival, there may be scope for further improvement in the current year. So even though the shares have trebled in value this year to 36p, the p/e of about 8 on earnings up from 2.9p to 4.4p a share could still attract a lot of interest.

Eucalyptus first half increase

LARGELY REFLECTING higher world woodpulp prices first half profit of Eucalyptus Pulp Mills advanced from £376,563 to £410,679. The figure for the year 1970 was £965,752.

Demand for paper and board and consequently demand for woodpulp turned downwards at the beginning of the year all over the world and stocks of pulp at the company's mills began to build up. However, paper makers' stocks have now declined to a point where any revival in demand for paper should result in a quick reversal of the whole market situation for pulp, the directors state.

The sales outlook for the second half began to improve slightly after the summer holidays, but, as foreshadowed last May for the second half of 1971 profits comparable to the record for the second half of 1970 must not be expected.

In spite of the rather weak market situation, world pulp prices have remained unchanged throughout the year. "We look forward to 1972 with quiet confidence," the directors add.

An unchanged interim of 8 per cent. is declared. The 1970 total was 25 per cent.

	Half-year 1971 £	1970 £
Trading profit	569,674	532,866
Depreciation	137,148	132,256
Interest charges	21,847	24,047
Profit before tax	410,679	376,563
Taxation	121,182	137,072
Net profit	289,497	239,491
Interim div.	74,480	74,480
Forward	1,259,049	771,891

Setback for Bryant: holds 14%

FROM TURNOVER up £4m. to £38m. for the year to May 31, 1971, profit of Bryant Holdings has slumped from £1.71m. to £1.03m. And for the current year, chairman Mr. Chris Bryant is expecting a similar profit.

In view of a £76,367 tax provision no longer required, the directors have decided to meet their forecast of a maintained 14 per cent. dividend for 1970-71: the final is 8 per cent.

Mr. Bryant says it was "particularly unfortunate" that large firm price contracts were obtained immediately prior to the sudden upsurge in the rate of inflation. There was also an abnormal loss due to unforeseen difficulties on a major contract, now practically complete.

On the other hand, Bryant Homes, the private enterprise subsidiary, had a most successful year despite the cost escalation problems.

Interests in the property field were again expanded: certain properties were sold at a satisfactory profit. From now on property deals and investment income will make an increasing contribution to the result.

	1970-71 £	1969-70 £
Turnover	38,000,000	34,000,000
Profit	1,036,127	1,714,857
Taxation	429,500	801,500
Unrequired provision	76,367	—
Net profit	676,994	913,357
Dividends (gross):—		
Preference dividend	18,750	18,750
Ordinary	444,644	442,435
Retained	213,604	452,172

On prospects, Mr. Bryant emphasises that the Midlands has not yet benefited from a return of confidence and until it does "I cannot anticipate an upturn in major construction work."

Budgets and order book indicate that total turnover will be reduced because of the lower demand for local authority housing and, while Bryant Homes will have another successful year, it will not wholly make good the reduction.

Meeting, Birmingham, December 6 at noon.

● comment

Although nothing much was expected from Bryant after its first-half setback, the 40 per cent. drop in 1970-71 pre-tax profits coupled with halved margins was obviously worse than most projections and the shares fell 8½p to 54½p. On earnings of 4.65p a share (against 7.1p) this leaves the shares on a p/e of 11.4. Bryant's problems are nothing new—as before, the local authority housing division specifically and the construction side generally, suffered from the sudden upsurge of the rate of inflation given the large proportion of fixed price contracts. In spite of some variable price elements being introduced into certain types of contracts, there will probably be no recovery this year. Nevertheless, at this level the shares are discounting a 1972-73 turnround, which—when it materialises—could prove substantial.

Judge Int. improves: holds 13%

GROUP PROFIT of Judge International for the year ended June 26, 1971, before tax and without taking credit for an insurance claim of £15,000, was £205,000, compared with £175,000 in 1969-70. After including the net surpluses on insurance claims the profit was £220,000 against £210,000.

The year's single dividend is held at 13 per cent.

Total sales of the housewares companies rose from £2.45m. to £3.15m., and trading profit of these companies from £284,000 to £367,000, all this expansion took place internally.

This trend is continuing, directors report, and invoiced sales of the 12 weeks to September 18 were up by 21 per cent. over the corresponding period. Intake of orders is also up and there is a substantial order book.

The Premier Injection Moulding acquisition has turned out to be a "bad one," and the resultant strain on financial resources, as well as management, has had its effect on group profits. The PIM companies have now been disposed of and Fraser and Glass has been enlarged. Premier lost £34,500 trading up to November 28, 1970 and expenses, after tax, of £92,360 have been charged against reserves. The Board has been unable to negotiate a settlement of the claims against the PIM Vendors and steps are now being taken to commence proceedings.

On prospects, the directors say they can see the housewares companies becoming stronger and achieving an even greater share of the market in trading conditions not too favourable. They expect the current year will see further expansion and profits from these companies.

The Fraser and Glass Industrial Moulding business is still a "problem" and no forecast of group profits can be considered until more experience is gained in its new location.

	1970-71 £	1969-70 £
Group net profit	135,097	115,392
Tax charged	84,500	94,340
Ordinary dividend	79,491	79,358

● comment

Adjusting both periods for Premier Injection's losses leaves Judge International virtually unchanged at the pre-tax level. The houseware side has continued to make most of the running but the group has been held back by integration problems at Fraser and Glass and PIM. The real benefits of the 1969-70 houseware reorganisation are yet to be felt and they might provide a boost to profits in the current year. But the best that can probably be hoped from Fraser and Glass in 1971-72 is break-even which means that the missed 1969-70 forecast of £520,000 pre-tax is still a long way off. This probably explains the market's attitude with the shares at 70½p on a fully diluted p/e of 8.8.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Aokam Tin ...... 2nd int.	22½	Dec. 7	—	30	30
Bank New South Wales	5	Dec. 20	5	10	10
Bryant Holdings	8	Dec. 7	8	14	14
Clifton Investments ... int.	4½	—	4	—	12
Cullen's Stores ...... int.	5	Dec. 6	4½	—	(f)9½
Derritron	nil	—	10	nil	10
Dundee & London 2nd int.	(d)3½	—	6½	9½	9½
English and Intnl. ......int.	†1½p	Nov. 26	1½p	—	(c)4½p
Eucalyptus Pulp ...... int.	8	Nov. 18	8	—	25
Ever Ready (GB) ......int.	6	Dec. 6	6	—	20.4
James Finlay ....int.	3½	Dec. 31	3½	—	14
Vic Hallam ....int.	6	—	6	—	21½
Hawker Siddeley ...... int.	6	Jan. 7	5	—	13
Judge Intnl.	13	—	13	13	13
Macowards ....int.	5	Dec. 9	4	—	11
Mettoy ....int.	Nil	—	4	—	4
Newman Granger	10	—	8½	17	14½
Palace (Torquay)	2½	—	2½	2½	2½
Paterson Zochonis	9.5	—	*7.6	17	*13.6
Ross Chemical	9½	—	7	13½	11
Rubber Estates ...... int.	10	—(e)	15	10	15
Scottish Tea & Rbr. ...int.	(b)4	—	5	(g)—	11½
Sheffield Rolling	10	—	—	10	8
Henry Wigfall	20	—	17½	20	17½

* Equivalent after allowing for scrip issue. † Amount per share. (a) Tax free. (b) On capital increased by rights and/or acquisition issues. (c) Corrected. (d) In accordance with terms of merger with British Canadian Trust expected to become operative at end of month. (e) Payable on release of funds from Ceylon. (f) For 50 weeks. (g) Total 9 per cent. already forecast.

Woolwich Equitable

Mr. Alexander Meikle, chairman of the Woolwich Equitable Building Society, pictured at a Press reception in London yesterday. Mr. Meikle announced that the Woolwich is lowering its mortgage rate to 8 per cent. in line with the recent recommendation of the Building Societies Association. The rates offered to investors on share accounts and personal deposit accounts will be reduced by ½ per cent., but the Savings Plan account will continue to attract an interest rate of 5½ per cent. net of income-tax.

Mr. Meikle reported a record year for the Woolwich. Savers increased their investment by £44m. in the year ended September 30, 1971, giving record savings of £176m. Home loans were also up £31m. at a year-end record total of £129m.

Assets increased by £95m. to £66.7m., representing a growth of 16.73 per cent. for the year.

Over 97,000 (86,000) share, savings and deposit accounts were opened and the total number of investors increased to 527,000 (from 468,000).

Cash and investments at the year end totalled £105,713,089 being 15.83 per cent. (14.52) of total assets. The ratio of reserve and revenue balance to assets was 3.4 per cent. (3.27).

With the opening of a new branch at Bath in September the Society brought to 100 its total number of branches. It is planning to open a further 15 branch offices over the next 12 months.

	1970-71 £000	1969-70 £000
Invest. etc. receipts	176,375	131,808
Int. to principal	14,433	11,506
Withdrawals (principal)	99,616	82,962
Inc. in balances	91,467	59,921
Mort. advances	129,187	97,588
Awaiting completion	42,000	25,500
BALANCES AT SEPT. 30:		
Share and deposit	625,741	534,274
Res. and revenue	22,747	18,700
Mortgages	556,712	484,292
Quoted Invests.	79,426	58,870
Unquoted Invests.	11,555	17,386
Cash	14,732	11,340
Other assets	5,380	4,711
Total assets	667,785	572,049

Macoward to raise dividend

PRE-TAX PROFIT of departmental store proprietors, Macowards, expanded sharply from £28,500 to £95,500 for the 28 weeks to August 14, 1971—the highest for a number of years—and current trading leads the directors to believe that an increase in the dividend will be justified.

The interim payment is lifted from 4 to 5 per cent. and the directors indicate an increase in the final—7 per cent. for the previous year. The 11 per cent. total for the year to January 31, 1971, was paid from a profit of £261,220.

	28 weeks 1971 £000	1970 £000
Merchandise Sales	3,054.0	3,611.2
Trading profit	99.4	110.2
Investment income	40.9	—
Int. charges (net)	44.8	81.7
Profit before tax	95.5	28.5
Est'd. tax	38.2	12.0
Net profit	57.3	16.5

Reed & Mallik recovery

The strong recovery by civil engineers Reed and Mallik continued in the year to April 30, 1971, with a 48 per cent. advance in trading profits, from £75,000 to £111,000. Turnover was up 23 per cent. from £4.28m. to £5.26m.

There has also been a further marked improvement in liquidity says the chairman, Mr. A. F. Mallory, with net current assets up to £774,000 (£685,000).

Net profits were £111,000 (£31,000). However, the Board considers it would not be prudent to recommence dividends at this time. The last was a total of 9 per cent. for 1965-66.

Progress of plans to develop surplus land holdings has been "disappointingly" slow, but with the continued appreciation of land values the delay in obtaining satisfactory planning consents is not critical.

As to the future, Mr. Mallory says that forecasting is difficult, but in the light of recent progress and with current work going well "he is confident that the group's recovery will be completed before long and that the scene is now set for steady nad profitable expansion."

The current firm order book stands at £9m., of which some 85 per cent. relates to motorway work. In addition, the fixed price content in the current year has been reduced to less than 15 per cent. compared with nearly half in 1970-71, thus mitigating the attendant risks and consequent large reduction in profit margins during a highly inflationary period.

Mr. A. F. Mallory is retiring as chairman at the annual meeting (Salisbury, November 16, noon) and will not seek re-election to the Board. Mr. B. W. Tawse is to take over as chairman.

Greaves & Thomas progress

Addressing the annual meeting of Greaves and Thomas, the chairman, Mr. C. S. Schreiber, reported that progress had been maintained during the first six months of the current year.

In reply to questions concerning the whole group, of which Schreiber Wood Industries is the holding company, he stated that the progress of Greaves and Thomas was in line with the group as a whole.

In answer to a further question regarding the possible flotation of Schreiber Wood, Mr. Schreiber said it would probably seek a quotation within a year or two and that this would be done independently and not through the medium of Greaves and Thomas's existing quotation.

2½% more by Ross Chemical

Ross Chemical and Service Company—formerly Scottish Tar Distillers—reports group profit for the year ended June 30, 1971, of £320,033 against £299,980 for 1969-70.

Tax takes £117,831 (£127,300) to leave net profit of £202,202 against £172,680.

Additionally taxation overprovided in earlier years was £33,567 (£2,550). Net profit retained was £95,733 (£39,161).

The final dividend is 9½ per cent. to raise the total from 11 per cent. to 13½ per cent.

Ellis Richmond expansion

Following the recent news that Ellis and Co. (Richmond) was negotiating for a trading link with another company in the same area of operations, comes the announcement that it is continuing its policy of acquiring new sales outlets.

Mr. Colin Ellis, the chairman, told the annual meeting that since his circulated statement had been issued they had opened a shop in the centre of Reading and that further branches at Gloucester, Ilford, Orpington and Slough were "in the pipeline."

Results due next week

Holiday camps provide a theme in next week's list with results expected from Butlins and Pontins. Of the main results the ones most likely to show any improvement are those from Hoover and possibly Debenhams. Other results where the picture may be less encouraging are those from Dunlop, BSA and McKechnie Brothers.

Dunlop produces its interim results on Thursday but as these will be the first figures since the Dunlop-Pirelli merger last January it is difficult to foresee what they will reveal. For Dunlop the important point is whether the strike in 1970 was a larger depressant than the recent production cuts are proving in the current year and a lot also depends on how Dunlop Pirelli is faring against the currently depressed state of the Italian economy.

Hoover's quarterly pattern in the first six months was 22 per cent. profits growth in each quarter against sales up respectively one third (on a quarter depressed by strikes at Merthyr Tydfil) and 9 per cent. For the remainder of the year the outlook also seems bright (nine months' figures on Thursday) since consumer spending buoyancy appears most marked at the heavier appliance level and this is good for the extra capacity at Merthyr and the new washer and dryer models launched towards the end of 1970.

Pontins and Butlins both produce results next week. Pontins (annual profits Monday) lifted its first half profits from £2.7m. to £3m. pre-tax putting the group well on its way to achieving its earlier forecast of higher profits for the year. Butlins is also looking for an improvement following its 1970 pre-tax gain of 9 per cent. to £3.48m. But as with Pontins all of Butlins profits are earned in the summer months (in Butlins case the second half) so the interim results on Wednesday are of limited importance only.

Debenham's 1970 profits jumped 34 per cent. pre-tax to £7m. on an adjusted 11.8 per cent. rise in sales reflecting the benefits of the recent reorganisation and rationalisation programme. Whether this trend continued in the first half of the current year (interim Wednesday) depends largely on how the group treated the recent purchase tax cuts. If these were passed on through lower prices the result could be a first half loss, if not Debenham should be able to reveal a useful improvement.

Following BSA's warning in July that the 1970-71 results would probably show a pre-tax loss of around £3m. Wednesday's preliminary figures are of limited interest and the market will be viewing them only for some indication of the prospects. The group is currently concentrating on cutting its overheads and hopes to halt its downturn in the current year when demand for motor-cycles is expected to pick-up.

McKechnie Brothers' first half fall in profits from £3.2m. to £2.18m reflected a 23 per cent. fall in the copper price during the period. By April the price had recovered much of its lost ground to about £520 but since it has tumbled about 20 per cent. to around £427 and whether the annual results on Thursday show any recovery depends largely on how much the low price has been able to stimulate demand.

Also expected next week are the interim from Hill Samuel and the final from Harrisons Crosfield on Tuesday, while Friday brings the preliminary figures of Bardolin.

Company	Announcement due	Dividend %* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Bardolin	Friday	5	5	5
Birmingham Small Arms	Wednesday	—	Nil	—c
Brewery and Commercial Investment Tst.	Friday	3½	15	3½
Bridport-Gundry	Tuesday	5	7½	6†
Burgess Products (Holdings)	Friday	5½	12½	5½
Central Manufacturing and Trading	Monday	7½	10	10
Consolidated Trust	Tuesday	9	27‡	9
Construction Holdings	Tuesday	10	22½	10
Courtney Pope (Holdings)	Thursday	5.25	11.40	6½(a)
Dalmore Whyte and Mackay	Tuesday	4	7	4
James H. Dennis	Wednesday	6.563	12½	7½
Elpitiya Rubber Holdings	Wednesday	10	Nil	—
Ecalon Plastics	Monday	—	22½	7½(b)
Farrow and Jackson and Purdy	Wednesday	12	13	12
Golden Hope Plantations	Thursday	7	25(g)	7½
Harrisons and Crosfield	Tuesday	5	15	5
Higsons Brewery	Tuesday	3 4-7	10 5-7	4
House of Sears (Holdings)	Thursday	5	Nil	5
International Securities	Friday	—	Nil	—
London & Provincial Shop Centres (Hldgs.)	Thursday	4	4½	4
Longmore Brothers	Tuesday	—	55	—
Lowland Investment	Thursday	2½	4½	2½
McKechnie Brothers	Thursday	4.667	10.313	5
Metropolitan Trust	Thursday	5	10§	5
M.Y. Dart	Wednesday	9.05	10	10
Middleton Hotels and Estates	Wednesday	3½	8½	3½
New Day Holdings	Wednesday	10 5-12	10 7-12	10½
Rhodesia Cement	Wednesday	8	14	10
Ricardo and Co. Engineers (1927)	Tuesday	5	10	8
Claude Rye	Monday	8½	12½	10
Second Scottish Investment Trust	Thursday	2½	5	2½
Spencer Gears	Wednesday	6	15	6
INTERIM DIVIDENDS				
Bankers' Investment Trust	Wednesday	4	11½	
Border Breweries (Wrexham)	Wednesday	4	8	
Bristol Merchant Finance	Tuesday	7½	12½	
British Investment Trust	Monday	6½	9	
Brooke Tool Engineering (Holdings)	Monday	Nil	Nil	
Butlin's	Wednesday	15	17½	
Cape Asbestos	Tuesday	7½	20	
Churchill and Sim	Thursday	5	20	
Clement Clarke (Holdings)	Wednesday	4	7	
T. Clarke	Monday	7½	Nil	
Clive Holdings	Wednesday	6½	13½	

Company	Announcement due	Dividend %* Last year Int.	Last year Final	This year Int.
Consolidated Commercial	Tuesday	3½	5	
Debenhams	Wednesday	7½	12½	
Debenture Securities Investment	Friday	7	13½	
Dunlop Holdings	Thursday	6½	9 7-12	
Electrocomponents Associated	Wednesday	5‡	25‡	
F.C. Construction (Holdings)	Monday	4½	5½	
Foster Brothers Clothing	Wednesday	5	13	
Hanger Investment	Wednesday	Nil	Nil	
Charles Hill of Bristol	Tuesday	2	4	
Hill Samuel Group	Tuesday	5	10	
Lanra	Thursday	Nil	5	
Lankro Chemicals Group	Monday	5	15	
London and General Investment Trust	Friday	8	17½	
London Tin Corporation	Wednesday	10	32½(f)	
Newbold & Burton Holdings	Wednesday	2½	5(§)	
James North	Wednesday	6	8	
Oxley Printing Group	Thursday	Nil	5	
Phillips Patents	Wednesday	—	2½	
Pontins	Monday	6	6(h)	
Pritchard Cleaners (Holdings)	Tuesday	10	20	
H. and M. Rayne	Wednesday	20	40	
Roberts Adlard	Wednesday	3½	7½§	
Sheepbridge Engineering	Thursday	7	10½	
Shiloh Spinners	Wednesday	2	3	
H. C. Slingsby	Thursday	2½	8½	
Sphere Investment Trust	Thursday	4½	4.85	
Tern-Consulate	Tuesday	—	10	
Tilbury Contracting Group	Wednesday	3	5	
Trust Union	Wednesday	4½	4½	
Whitbread Investment	Thursday	3	7½	
William Urtley	Monday	4½	5 5-8	
Warner Estate Holdings	Tuesday	4	9	
INTERIM FIGURES ONLY				
John Haggas	Thursday(d)			
Hoover	Thursday(e)			
Reed Executive	Monday			

* Adjusted for any intervening scrip issue. † Forecast not less than 12½ per cent. total. ‡ Includes special interim 15 per cent. in 17½-month period. § Second interim. ¶ For nine-month period. (a) Figures only, final dividend 13½ per cent. already announced. (b) Forecast 15 per cent. final. (c) Forecast no dividend for year. (d) Figures for three months. (e) Figures for nine months. (f) Forecast 7 per cent. final. (g) Includes second interim 23 per cent. (h) Second interim. Preliminary figures usually declared with interim dividend.

UNIT TRUSTS

Slater Walker Assets at 39.4p

Slater Walker Trust Management is making a limited offer of up to 5.5m. units in its Assets Trust at 39.4p each until November 1. The minimum initial purchase is 750 units, costing £295.50.

● comment

Slater Walker Assets Trust has lived up to the group's considerable reputation in this field as the fund has risen 57.6 per cent. in the thirteen months since the launch compared with a 28.6 per cent. rise in the F.T. Actuaries All-Share Index. Naturally the timing of the start near the bottom of the market has given once-and-for-all advantage but SW believes there is plenty of action left in the assets game— particularly in the engineering and allied sectors. So far the group has been skilful enough here though investors should bear in mind that this type of trust has a certain speculative flavour.

Prospectus, Page 9

ABBEY PROPERTY FUND AT £68M.

Abbey Life Assurance is offering units in its Property Bond Fund at £1.02 each until November 2 for a minimum investment of £100. Sums of £1,000 and over qualify for participation in the withdrawal scheme, which allows up to 6 per cent. of the value of the Bond to be paid out annually —free of income and capital gains tax. The Fund is managed by the property division of Hambros Bank.

Several small improvements have been made recently including increased life cover for those over 65, better withdrawal facilities and greater all-round flexibility.

● comment

Competition has been hotting up this year in the property bond sector but Abbey Property Fund is still very much the leader at £68m. The explanation for this marketing success—£6m. in the last two months alone—seems to be the promise of security and steady long-term growth. From the investment angle the most important feature of the recent changes is the ability to exchange Property units for either Equity or Selective units (the latter being a mixed fund) for a relatively modest charge.

Prospectus, Page 13

S. & P. PROPERTY BOND FUND

Units are being offered in the Save and Prosper Property Fund at 102p each until November 15 next. The minimum investment is £100 and there is also a Save-Insure-and-Prosper Plan available for regular monthly investors.

For investors of £1,000 and over a cash withdrawal scheme is offered, giving the policyholder the choice of annual rates of 4 per cent., 6 per cent. or 8 per cent.—all free of capital gains and income tax liability.

● comment

Save and Prosper Property Fund was only launched in March this year and so has not had a chance to establish any kind of record in a field where long-term performance is the only reliable guide. Apart from the choice of withdrawal rates the important feature distinguishing this plan from other property bonds is the guarantee that the original outlay will at least double in value after twenty years.

Prospectus, Page 3

UNICORN GROWTH ACCUMULATOR

Barclays Unicorn are offering shares in Unicorn Growth Accumulator Trust at a fixed price of 32.6p each, until November 1. The minimum investment is £81.50.

EBOR GENERAL

Ebor Securities is making a fixed-price offer of units in its General Fund at 53.5p each until October 29 with an ... gross starting yield of ... cent.

PLAN Life Assurance

Langham Life Assurance ... Pan Australian Unit Trust ... day published details of ... Pan Australian Langham (Savings) Programme—"P... Langham Life was bought ... this year by Mr. E. Alec C... Pan Australian directors Co... Forsyth and Richard A. P... joined the Board in Septem...

"PLAN" policies are now ... introduced through a netw... insurance broking firms. ... scheme, which can be started ... as little as £5 a month, ... on 50 per cent. of the ... going into whole life ... and the other 50 per cent. ... into Accumulation Units of Pan Australian Unit Trust.

PORTFOLIO GROWTH WITH INCOME

Portfolio Fund Manage... offering units in its Growth ... Income Fund at a fixed ... 76p each until Monday, Nov... 1. The minimum initial ... is 600 units. The aim of ... fund is for capital growth with income above the market ave...

● comment

Portfolio Fund Managers has ... one of the most promising ... entrants to the unit trust ... try and the offer price of G... with Income has apprecia... per cent. in the fund's 11 ... life, compared with a 3... cent. gain by the F.T. Act... All-Share Index. New fun... of course, have consi... advantages over existing ... terms of greater flexibility ... Growth with Income had ... special boost of coming ... the bottom of the market ... pite this capital growth the ... has still managed to keep ... yield (3½ per cent.) slightly ... the market average. This ... record to date is certainly ... scratch and the fund is still ... enough to manoeuvre at ... about £180,000.

Prospectus, Page 17

HAMBRO MANAGED BONDS

Hambro Life Assurance is ... ing a further offer of ... Hambro Managed Invest... Bonds at £1.122 each until Oct... 28. The minimum investment ... £250.

A 6 per cent. per annum ... drawal scheme is available ... investors with sums of £1,000 ... above; the income is free both ... income and capital gains ... though there may be a liabi... for surtax in relevant cases.

● comment

Hambro Managed Investment Bonds seem to have all the ... ings of a marketing success ... only through the reputation ... the team heading Hambro ... The idea of a unitised fund ... a triple investment mix—equi... property and fixed interest ... not new and the underlying ... vestment approach has been ... by the life offices for a long ... But the theoretical advantage ... this form of fund seem as str... as ever since an all-weather ... should be able to ride out chan... in fashion between the differ... markets.

Prospectus, Page 11

ALLIED HIGH INCOME

The Allied Hambro Group ... nounces that the distribution ... payable October 31 on units ... the Allied High Income Trust ... the accounting period en... August 31 will be 0.6359p net ... unit bringing the total in 197... 1.2277p against 1.1636 in 197...

MINING NEWS

MIM Holdings to raise $25m.

BY KENNETH MARSTON

Australia's MIM Holdings (formerly Mount Isa) is to issue Eurodollar bearer debentures to provide part of the financing for its expansion at the Mount Isa copper-lead-zinc mine in Queensland. A new subsidiary, Mount Isa Finance, is to sell in the international capital market $US25m. (£10m.) of guaranteed sinking fund debentures due 1986.

They will be unconditionally guaranteed by MIM Holdings and will be offered about November 9 by an international underwriting group headed by Kuhn Loeb, the First Boston Corporation and Union Bank of Switzerland (Underwriters). The interest rate and issue price will be set prior to the offering. Based on current market conditions, it is anticipated that the interest rate will be 8½ per cent.

SHAFT ACCIDENT AT EAST DAGGA

Early yesterday morning a skip left the guides about 600 metres from surface at the No. 1 shaft of East Daggafontein gold mine, causing serious damage in the shaft over a distance of about 100 metres below the Kimberley reef loading zone. There were no casualties.

It is expected that underground production will cease for at least a week. Reclamation of ore from ... tinue at an increased rate but will still not be possible ... operate the surface plant at ... capacity during the period wh... shaft repairs are being carri... out.

Pilkington's Tiles profit increase

Pre-tax profit of Pilkington's Tiles, a member of the Th... Tilling Group, amounted ... £363,679 for the nine months ... June 30, 1971, against £295,6... the corresponding period ... year. The previous year's ... was £510,463.

Profit for the nine months ... struck after depreciation ... £192,746 (£175,731). Tax ... £152,150 (£112,992), to leave ... profit of £216,529 (£183,814) ... which £201,633 (£170,437) ... attributable.

Directors state that if the ... rent improvement in building ... the U.K. is sustained it sho... be possible to bring into op... tion additional production ... city before the end of 1972 ... will help to offset the eff... further increases in costs ... experienced in the ...

[S]UMMARY OF THE WEEK'S COMPANY NEWS

[Tak]e-over bids and mergers

[I]ntense activity and a great deal of speculation followed [Allied] Breweries' offer to negotiate possible grounds for a merger [with T]rust Houses Forte. The latter has since recovered sharply [...]re from the recent low mark, the aftermath of the Board-[...]rift which was one reason, among others, why Allied made [its re]quest for exploratory talks. If the talks are successfully [conclu]ded, a combined group would emerge with a market capi-[talisati]on of nearly £500m., the like of which has not been seen [since t]he heydays of the Home banks mergers in 1968.

[E]lsewhere, Ozalid fired the opening shots in what could [be] a battle for Venesta International and its subsidiary, [Keize]r Venesta. Ozalid's offer is worth about £6.2m. for Venesta [and £]1.35m. for the outstanding 32.7 per cent. of Keizer Venesta. [It wa]s quickly rejected by both Boards.

[G]riffiths Bentley has confirmed recent rumours that it is [the bi]dder for Britax-Excelsior. Terms have been agreed which [value] each Britax-Excelsior at about 59p and there will be a [cash a]lternative of 55p per share. Wigmore Holdings, a private [...]ted company, has received irrevocable acceptance from [holde]rs of 54.4 per cent. of the Stowe and Bowden equity regard-[ing a]n offer of 10p cash per share. It is not the intention of [Wigm]ore to maintain the S. & B. share quotation.

[U]nited Drapery Stores has withdrawn from the fight for [A. &] S. Henry leaving the field clear for Great Universal Stores; [the l]atter has since topped up its previous bid. Heenan Beddow [has a]llowed the offer for Reeves and Sons to lapse and Butterley [has r]equested the Stock Exchange to suspend its share quotation [pendi]ng the proposed acquisition of Crittall-Hope, the last wholly-[owne]d manufacturing subsidiary of Slater Walker.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated						
[...]ce Prop.	112	113	111½	10.8	Cornw'll Prop.	4/11
[...]& Weston	80	78	68	2.1	L'dbr'ke Gp.	28/10
[...]r (J. C.)	50*d	55½‡	51	0.4d	Mr. A. J. Strait	—
[Barcla]ys Bk. Intl.	517½d	512	450	90.0	Barclays Bk.	5/11f
[...]	558	480	395	17.1	Cav'nh'm Fds.	—
[Britax-E]xcelsior	54½	54g	54	4.3	Griffiths Bntly.	—
[...] For. Gen. [...] Inv. Tst.	82	88	73	8.3	Cedar Inv. Tst.	—
[...] Hldgs.	115*d	115	77	0.2d	Eastern Prod.	—
[...]rs.	27½*	29	27	0.5	Office Cleaning Services	3/11
[...]t (J.)	61*d	73	64	1.7d	Lyon Group	—
[...]table Hart	42½*d	42	23	1.2d	Thom. Roberts (Wstmstr.)	—
Dares Estates	8*	14	11	0.2	Freshwtr. Gp.	—
Dickwella	35*	65	75	0.04	Brisden Props.	—
Evans (P. J.)	81	77½	75	1.6	LCP (Hdgs.)	25/10
Finch (B.) Hldgs.	45*	43	45	1.6	Utd. Bldrs. Merchants	12/11
Henry (A. & S.)	86½d	105	75	6.8d	GUS	29/10
Kean & Scott	25*	25	25	0.1	Co. Devpts.	—
Keizer Venesta	55	54g	49	1.4	Ozalid	—
Limmer Hldgs.	31½	40½	31½	4.0	Tarmac	8/11
Lothian Inv. Tst.	40*	53	40	0.7	Stndrd. C'tee	29/10
Loveys (John)	17½*d	32	18	0.2d	Portsea Invs.	—
Merton Pk. Invest.	71½b	71	70	2.7	Direct Spanish Telegraph	—
Met. Gas Meters	67*d	64	63	0.6	Thorn Elect.	12/11
Moores Stores	36*d	33½	35	4.2d	Cav'nh'm Foods	—
Newall Mach. Tool	27	31	27½	1.9	Tube Invs.	25/10
Northborough Inv.	72*	92‡	67	0.7	Mr. L. Lavy	12/11
Oldham Internatl.	50	48	34½	10.0	Chloride Elec.	—
Overseas Fin. Tst.	55*	58	44	2.0	Ldn. Cty. Scs.	12/11
Parway Land	79	78	76	3.5	Assd. Dev. Hldgs.	—
Penguin Publishg.	396d	410	290	13.7	Pearson (S.)	28/10f
Rimmel	147½*	142	137	7.7	Intl. Telephone	—
Rochdale Canal	200*d	208	161	0.8d	Town Centre Securities	8/11
Rycroft Hldgs.	112½	109	90	3.9	Utd. Builders	—
Seafield Amal. Rbr.	61½	60½	51	15.5	Sime Darby	—
Settle Speakman	383d	350	267½	1.3d	Eastern & Gen.	—
Stowe & Bowden	10*	10g	11½	0.3	Wigmore Hldgs.	—
Truscon	27*	31½	22½	1.1	Ionian Bank	—
Union Steel Man.	38*	38	38	0.8	John Folkes Hefo	—
Utd. Transport	163	150	120	17.7	Brit. Elec. Trac	—
Venesta Int.	42	55g	39	6.0	Ozalid	—
Williams & H'mb't	150*	145	107	6.0	Union de Exportadores	—
Wigham-Rich'son	227	287	195	10.0	Slater Walker	—
Wood W. & Sons	53	53	50	0.8	Barrow H'pb'n	—
Wright's Biscuits	45*	51	82	1.8	Cav'nh'm Foods	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 22/10/71. k Based on 21/10/71. ‡ At suspension. † Bid.

Scrip Issues

S. Casket (Holdings): One-for-ten.

Ductile Steels: One-for-one.

Feedex: One-for-two.

Gomme Holdings: One-for-one.

S and K Holdings: One-for-two.

F. W. Thorpe: One-for-two.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* %		Dividends* %	
Bishop's Stores	June 26	408	(407)	18.1	(17.9)	9½	(9½)
S. Casket	June 30	280	(231)	62.6	(46.8)	27½	(24)
David Charles	June 30	851	(727)	66.0	(54.0)	33	(30)
Ductile Steels	July 3	2,027	(1,671)	95.7	(67.4)	40	(37½)
Fairfax Jersey	June 30	513	(423)	102.4	(78.4)	47½	(20)
Thos. French	June 30	248	(133)	74.0	(38.3)	30	(23½)
Gommie Hldgs.	July 30	943	(869)	67.0	(56.0)	35	(30)
Highland Distill.	Aug. 31	1,916	(1,864)	48.6	(44.2)	30	(29)
Jessel Secs.	June 30	4,346	(2,356)	62.0	(52.0)	48	(35)
Kamunting Tin	Mar. 31	516	(583)	48.5	(56.2)	50	(51)
Lake & Elliot	July 31	895	(610)	37.4	(22.1)	17½	(12½)
Long & Hambly	July 31	231k	(136)	19.5	(13.4)	23½k	(17½)
Manganese Bronze	July 31	766§	(102)	12.4¶	(—)	5.348	(3.332)
Nautyglo & Bln.	April 3	210	(137)	62.1	(38.3)	10	(8½)
Newman-Tonks	July 31	905	(613)a	47.4	(48.8)¶	28	(16½)a
RCF	July 31	776b	(580)	21.6¶	(20.3)	18.5	(11.25)
J. Shaw (Sal.)	July 31	39d	(23)	11.8	(9.4)	8	(5)
Sime Darby	June 30	2,645o	(2,076)	31.4	(23.2)	18¾	(19)
Staffs. Potteries	June 30	291	(176)	69.1	(42.7)	25c	(20)
F. W. Thorpe	June 30	128	(133)	38.4	(39.5)	21	(21)
Trident TV	May 31	1,947	(779)	36.8	(27.4)	25	(—)
Utd. Real Prop.	April 5	937	(956)	19.9	(18.4)	15	(15)
George Ward	June 30	409	(369)	21.2	(17.5)	14	(12½)
Charles Winn	July 31	85	(42)	33.9	(2.4)	7½	(Nil)

(Figures in parentheses are for corresponding period.)

* Adjusted for any intervening scrip issue. † Includes £30,090 from John H. Taylor. ‡ Maintained dividend 18 per cent. forecast. § For 19 months includes Norton Villiers for 24 months. ¶ On annual basis. a For seven months. b Former Rabone Chesterman for 16 months, Frys for 12 months. c Interim of 2½ per cent. also declared for current year. d After £24,000 Rolls-Royce provision. e Loss. f Forecast £201,000 (£215,620). g Already forecast £215,000 and 20 per cent. total. h No comparative figures. i Forecast maintained final 7 per cent. j Forecast maintained dividend after scrip. k For 16 months. l Forecast £194,000 (£212,940). m Similar to £3.17m. forecast. n First quarter figures. o Forecast £3m. and 22 per cent. dividend for current year.

Offers for sale, placings and introductions

Martin Ford: Offer for sale of 3.7m. Ordinary 10p shares at 55p each.

GLC: Offer by tender of £50m. 7¾ per cent. 1981 stock at a minimum price of £99 per cent.

Hemdale Group: Quotation £877,188 9½ per cent. Convertible Unsecured Loan 1991-96. £275,000 placed at par, balance for acquisition of Constellation Investments.

Tendring Hundred Waterworks: Offer by tender of £400,000 10 per cent. Redeemable Preference stock 1976 at a minimum price of £105 per cent.

Woking and District Water: Placing of £1m. 9½ per cent. Redeemable Debenture stock 1994-96 at par.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* %	
Aberthaw & Brstl.	June 30	356	(337)	—	(—)
Abrasives Intl.	June 30	50	(64)	8	(8)
Allied Suppliers	June 30	3,676	(3,887)	5	(5)
Assoc. Book.	June 30	263	(337)	6	(6)
Bacal Construct.	June 30	205	(—)h	10	(10)
Wm. Baird	June 30	892	(475)	4 i	(4)
British Syphon	June 30	144	(111)	—	(—)
Business C'mp't's	June 30	283e	(107)	Nil	(12½)
W. Canning	June 30	520	(582)	2.4	(2.4)
Copydex	June 30	121	(82)	10	(10)
R & A G Crosland	June 30	116	(112)	8½	(8½)
Duport	July 31	1,518	(2,334)	5	(5)
John Farmer	July 31	146	(104)	3	(2½)
Farnell Elec.	July 31	234	(182)	7½	(6¼)
Feedex	June 30	93†	(41)	10	(7½)
Fothergill & Harv.	June 30	202	(200)	6	(6)
Group Lotus	June 30	324	(121)	15	(Nil)
Harmo Inds.	June 30	540	(470)	5	(4.58)
James Harrison	June 30	101 f	(126)	10	(10)
Hawtin	July 31	775	(658)	8	(7½)
Helene of Lndn.	June 30	201	(182)	—	(—)
Hopkinsons	July 31	780	(516)	7	(7)
Horne Bros.	July 31	73	(62)	—	(—)
Robert Hudson	June 30	195	(215)	9	(8½)
Laurence Scott	June 30	252	(496)e	4	(3)
F. J. C. Lilley	July 31	89e	(196)	4	(4)
Ldn & Cnty Secs.	Sept. 30	412	(380)	9	(4.8)
London Poster	June 30	330	(290)	6‡	(6)
Macreadys Metal	June 30	161	(300)	—	(—)
Marshall's Unvl.	June 30	424	(351)	13	(10)
Mothercare	Sept. 25	1,205	(718)	—	(—)
S. Pearson	June 30	6,594	(5,731)	7½	(7½)
Plessey	Sept. 30	3,426n	(5,284)n	—	(—)
Rawlings Bros.	July 31	112g	(—)	5	(—)
Rycroft (Brad.)	July 31	140	(120)	5	(4)
S & K Holdings	Sept. 30	808	(58)	7	(Nil)
Spillers	July 31	3,702	(1,892)	3½	(3½)
Staflex Intl.	June 30	255	(108)	4	(—)
J. A. Stewart	June 30	97 l	(103)	8½	(8½)
Stone-Platt	June 30	923m	(831)	4	(4)
Telephone Rentals	June 30	2,592	(2,315)	10	(10)
Thomson Orgn.	June 30	1,787	(3,131)	10	(10)
Thomas Tilling	June 30	7,350	(5,525)	9	(8)
Titaghur Jute	June 30	538	(741)	—	(—)
Weir Group	June 30	908	(971)	8	(8)

Rights Issues

Adepton: 5.51m. 20p shares, basis two-for-three and to 8½ per cent. Convertible Unsecured Loan 1990-95, holders, what they would be entitled to if they had converted into shares.

Pennine Motor: One-for-two 10p shares at 17½p each.

[H]awker Siddeley expects [£]12m. net—interim up

[DIRE]CTORS of the Hawker [Sidd]eley Group, which has [engin]eering interests ranging [from] aircraft to light bulbs, think [like]ly that group profit will be [in th]e region of £12m. after tax [and i]nterest, in the current year, [again]st £8.1m. in 1970.

[Rai]sing the interim dividend [from] 5 per cent. to 6 per cent., [they] say this increase does not [impl]y any change in the rate of [final] dividend—8 per cent. last [year].

[In] their annual statement in [...], the directors said there [were] reasons for expecting a [bette]r year in 1971, subject to the [unce]rtainties of the economic [envir]onment.

[Sir] Arnold Hall, chairman and [mana]ging director, in his interim [repo]rt on trading, says it is [expe]cted that despite uneven [result]s the aerospace and electrical [engi]neering sectors of the busi-[ness] will show improvements in [tradi]ng profits over 1970, and that [the] mechanical sector, in which [busin]ess on the whole has been [mor]e difficult than in the others, [will] produce a figure similar to [that] of 1970.

[As] the directors see the position [at p]resent, the measures intro-[duce]d by the U.S. Administration [may a]ffect some group trading, but [if the]re is no significant dip in [world] trade, this should not be to [a seri]ous extent overall, although [the] adverse impact on the [Canad]ian economy may well be [impor]tant with a corresponding [influe]nce on the group's Canadian [resul]ts.

Due to the floating of exchange rates which has followed the Nixon measures, it is probable there will be a reduction in 1971 in the sterling equivalent of the overseas assets shown in the group accounts, depending on the position at the year end. Following previous practice, such an adjustment would be dealt with as an exceptional item not forming part of the trading result for 1971.

Sir Arnold adds that there has been a "strong favourable movement" in the group's liquidity during the year.

See Lex

Meccano (1971)

Meccano (1971), the revamped trading shell of Meccano-Triang, subsidiary of the Lines Brothers toy group which last month went into voluntary liquidation, is expected to make profits of at least £150,000 this year.

Mr. Joe Fallmann, Meccano's chief executive, said yesterday that £150,000 was the lowest estimate; "it could be higher." His company is budgeting for a profit of £350,000 for 1972.

Comparative figures are difficult. Meccano-Triang made a published loss of £150,000 for 1970, but this was after payments to the parent.

At the time of the Lines Brothers' crash Meccano-Triang had underwritten parent company debts amounting to nearly £7¼m. Moves culminating on Thursday in the announcement that Meccano (1971) had been given Department of Trade approval to operate were aimed at removing the burden of these debts.

While the trading company was still liable for them it was technically insolvent. Now the new company is liable solely for its own debts which at the time of the crash were estimated at just over £3½m. This now allows the company to be sold as a trading concern.

10% again by Bank of NSW

GROUP NET profit of the Bank of New South Wales decreased by $A61,000 to $17,271,000 in the year to September 30, 1971, after a tax charge reduced by $296,000 to $18,836,000.

The dividend is maintained at 10 per cent. with a final of 5 per cent.

Statement, page 19

Tower Assets purchase

Tower Assets, through its subsidiary Malman Securities, has exchanged contracts to acquire the freehold of 13/16, Craven Hill Gardens, London, W2, for £435,000.

The property, built in 1964, consists of 49 Duplex flats together with parking accommodation and own private gardens. After renovation the individual flats will be offered for sale on long leases.

Druce and Co., London, W1, acted for Tower and have been retained to manage and sell the individual flats.

As previously announced, Malman has been formed as a subsidiary of Tower to utilise any surplus money available for use outside the furniture, timber and allied trades with a view to increasing both assets and earnings per share.

Sime Darby on way to targets

FIRST QUARTER results from Sime Darby Holdings fully support the forecasts made for the year to June 30, 1972, chairman Mr. D. W. Pinder tells members in his annual statement.

And he is confident of continuing growth in terms of earnings and dividends per share.

In the course of its successful offer for Seafield Amalgamated Rubber the Board forecast minimum profits of £3m. and dividend of 22 per cent. for 1971-72.

As reported yesterday, profit for 1970-71 was £2.64m. (£2.07m.) and the dividend 18¾ per cent. (19 per cent.). Turnover came to £30.96m. (£32.92m.).

A split up shows: merchanting, importing and exporting turnover £8.13m. and profit £405,000; tractor and heavy equipment suppliers £17.6m. and £915,000; plantation management £531,000 and £237,000; technical contracting £1.71m. and £37,000; local manufacture and engineering £2.99m. and £248,000. Investment income was £803,000.

Principal contributors to the increased profit were tractor operations including a modest initial return from Indonesia and plantation management. Further improvement in the returns from these activities is anticipated during the current year. All other facets of operations made satisfactory contributions and with the benefit of reorganisation schemes now under way should improve their future profitability.

Capital expenditure this year mainly relates to the further expansion of tractor operations and facilities and the bulk of this expenditure has been covered by the realisation of assets surplus to requirements, thereby avoiding much of the drain on normal cash flow.

Meeting, Singapore, November 12.

Chairman's statement, page 22

Merlimau Pegoh palm oil benefits

The profitability of oil palm areas should continue to improve and, once again, go a long way towards covering the shortfall in rubber, says Mr. A. W. Scott, chairman of Merlimau Pegoh, in his annual statement.

The rubber market continues to be depressed. Output is up on last year, but unless there is an improvement in price, even with the anticipated contribution from the newly acquired Gedong Estate, there is likely to be a further fall in rubber profits this year.

As reported on October 15, profit for the year ended March 31, 1971, was £731,726 (£769,832). The dividend is again 17½ per cent.

Rubber profits were almost halved, while the contribution from oil palms shot up from £75,000 to £320,000. The latter is no mean achievement, Mr. Scott asserts, considering the group undertook its first large-scale plantings as recently as 1965.

Oil palm output has almost doubled to 36,000 tons of fruit. It will continue to increase as it will be some years before optimum figures are achieved. At Gedong, it is proposed to replant the old rubber with oil palms as soon as possible.

Meeting, 19, Leadenhall Street, E.C., November 17 at noon.

Chairman's statement, page 11

H. Wigfall makes and pays more

Pre-tax profit of Henry Wigfall and Son was £866,732 for the 53 weeks to April 1, 1971, against £798,700 for the previous year after being £406,000 (£351,253) at half way.

Proposing a dividend of 20 per cent. against 17½ per cent. the directors say the increase has been restricted to 2½ per cent. in order to finance increasing business.

	53 wks. 1971 £	52 wks. 1970 £
Trading profit	967,240	798,700
Loan stock interest	100,508	—
Profit before tax	866,732	798,700
Tax	289,856	322,194
Net profit	576,876	476,506
Dividend	200,000	175,000

The group operates as multiple shop retailers of radio and TV sets, washing machines, refrigerators, household electrical goods, cycles, furniture and clothing.

Meeting, Sheffield, December 20, noon.

[R]ECENT ISSUES

EQUITIES

Issue Price	Amount Paid up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Anglo-Am.Ind.Cp.(R1)	[illegible]	[illegible]	[illegible]	[illegible]	5.6	12.5
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Do. Do. Defd.(R1)	[illegible]	[illegible]	[illegible]	[illegible]	6.0	11.6
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Carlton Co. (Hldgs)	[illegible]	[illegible]	[illegible]	[illegible]	2.9	14.9
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Continuous Stat'y. 10p	[illegible]	[illegible]	[illegible]	[illegible]	4.7	11.0
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Crouch (Derek) (20p)	[illegible]	[illegible]	[illegible]	[illegible]	4.6	12.1
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Davies & Newman	[illegible]	[illegible]	[illegible]	[illegible]	5.9	10.3
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	EmpressServ.(10p)	[illegible]	[illegible]	[illegible]	[illegible]	8.0	10.7
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Francis Parker 10p	[illegible]	[illegible]	[illegible]	[illegible]	4.6	14.7
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Grand Met. Warrants	[illegible]	[illegible]	—	—	—	—
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	McKayScts.CapShares	[illegible]	[illegible]	—	—	—	—
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Sime Darby Warrants	[illegible]	[illegible]	—	—	—	—
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Slater W.Secs.Wrr'nts	[illegible]	[illegible]	[illegible]	[illegible]	2.0	—
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Slater W.Inv.Tst.(20p)	[illegible]	[illegible]	[illegible]	[illegible]	4.4	11.7
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Tyson Group 10p	[illegible]	[illegible]	—	—	—	—
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Tr'falg'r Hse'B'Wr'ts	[illegible]	[illegible]	[illegible]	[illegible]	1.2	20.0
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Yule Catto (10p)	[illegible]	[illegible]	[illegible]	[illegible]	4.9	16.1

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Adepton new 8½% Conv. Uns. Ln. 90/95	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Issue Price	Amount Paid up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price £	+ or −
£100	£25	14/1	33¾	28½	Guinness (A.) 10% Uns. 1993-98	33	−¼
—	F.P.	3/12	110	104	Heenan Beddow 10%PrtlyConv.Uns.Ln.1977	105	+1
£100	F.P.	3/12	99	99	Hemdale 9½% Conv. Uns. Ln. 91/96	99	......
£100	F.P.	—	104¾	101	Int. Bank [...] 1976	104¾	......
..	F.P.	—	114	113½	Land Sec. 3% Conv. 1985	113½	......
£100	F.P.	1/12	110	100	Lewis & Peat 8% Conv. Sub. Uns. '79-81	107½	−2
£98	£25	24/3	29½	28¼	Lewis (J.) Prop. 9½% Mort. Deb. '92-7	28¼	−¼
£100	F.P.	10/12	111½	105½	Lon. & Mid. 8½% Conv. Uns. 1988-91	109	−1
a£99½	£25	5/4	29¼	27¼	Morg. Cruc. 9½% Deb. '95-2000	28½	......
**	£10	10/12	22½	22½	Newcastle & Gates. 10%Red. Pref. '76	22½	......
£99	£30	15/12	32¾	30¾	Nottingham 8% Red. Stk. '79-80	32	......
♥£100	£50	25/10	72	59	Prop.Inv. & Fin. 6% Conv. '91-96	61½	+1
£100	F.P.	28/1	96	96	Sime Darby 10% Uns. Ln. 1978	96	......
£100	F.P.	27/10	105½	101	Simonside Inv. 4½% Conv. Uns. 1976	102	−½
£100	F.P.	29/10	114¼	105½	Slater W. Inv. 8½% Part Conv. 1981	112½	−1¼
♥£100	nil	1/11	7½	6	Smith Enterprises 9½% Conv. '85-90	6pm	......
£100	F.P.	10/12	116	113	Tower Assets 10% Ptly Conv. 1976	113	......
††	F.P.	14/10	181	120	Tozer Kemsley 6% Conv. 1981	129	......
£100	F.P.	5/11	108¾	101½	Trafalgar Hse. 10½% Uns. Ln. 2001-6	107½	−½
£100a	£25	—	27	26¾	Woking & District Water 9½% Deb. '94/96	27	......
£100	£50	31/12	56½	52½	Yorks Chems. 10% Deb. 1991-6	54½	......
£100	F.P.	29/10	108½	108½	York Water 10% Red. Prf. 1975	108½	......

"RIGHTS" OFFERS

Issue Price p***	Amount Paid Up	Latest Renunc. Date	Stock	Closing Price p***	+ or −
92½	nil	—	Adepton	5pm	+1
60	F.P.	3/12	Anglo-Welsh	60	......
30	F.P.	4/11	Do. Warrants	30	......
15	nil	5/11	Bonnchord	2½pm	......
514	nil	4/11	Brit. Petroleum	96pm	......
135	nil	10/11	Cable Trust	1½pm	......
100	F.P.	11/11	Chubb & Sons	111	......
†	nil	13/10	Cosalt Warrants	17pm	......
12	nil	3/11	Dowgate & Gen.	1¼pm	−¼
18	nil	5/11	East Rand Cons.	nil	......
:	nil	5/11	Group Investors Dfd.	¼pm	......
64	nil	3/11	Kingside Inv.	¾pm	......
15	Nil	27/10	Malakoff Rubber	1½pm	......
47	F.P.	29/10	Oil & Assoc.	49	......
356	nil	5/11	Vaal Reefs	61½pm	−3½

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. k Figures based on prospectus or other official estimate for 1969-70. p*** Pence unless otherwise indicated. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. † Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ❈ Provincial quotation. ♣ Introduction. ♠ Issued to former Preference holders. • Dealt in under Special Rule. ‡ Price at time of suspension.

ISSUE NEWS

THOS. STEVENS (PROPERTY)

Thomas Stevens (Property) proposes to sub-divide its Ordinary 50p shares into Ordinary 5p shares and to issue 800,000 Ordinary 5p shares by way of rights at 40p in the proportion of 10 new 5p shares for every 50p share held at the close of business on October 25.

The directors intend to expand and extend the existing property investment interests of the group by investing the proceeds of the rights issue in quoted securities and property.

GLOBE INV.—CABLE TRUST

Globe Investment Trust is taking up 1,123,860 Cable Trust new Ordinary shares which, together with the existing holding of Globe, will constitute about 33 per cent. of the revised Ordinary capital of Cable. The balance of their allotment 1,374,254 shares, has been sold in the market at a premium.

NEW DEALINGS

Dealings started yesterday in the GLC 7¾ per cent. Loan stock 1981. The stock which was offered by tender at a minimum price of £99 opened at par (£10 paid) and closed at a discount of [illegible].

OFFICIAL QUOTATIONS

Permission to deal and quotation for the undermentioned securities has been granted:

Keysor Ullmann Holdings — 10,470,580 Ordinary shares of 25p each, fully paid (ex Capitalisation); 1,047,058 New Ordinary shares of 25p each, fully paid.

Land Securities Investment Trust—£7,251,598 3 per cent. Convertible Unsecured Loan stock, 1985, fully paid; £4,923,712 New 5½ per cent. Unsecured Loan stock, 1992-97, fully paid.

COMPANY NEWS

Ever Ready goes ahead

FIRST-HALF (to August 28) profits, before tax, of the Ever Ready Company (Great Britain) group of battery makers and engineers have advanced from £2,451,000 to £2,819,000, from sales to third parties showing an increase in value of 18 per cent.

Mr. L. W. Orchard, chairman, reports that operations in the engineering division have improved but lack of capital investment by British industry gives "some cause for concern" for the future order book in this division.

The overseas manufacturing companies continue to operate satisfactorily, he says.

After tax and minorities, the first half net attributable balance improved from £1,103,000 to £1,420,000.

The interim Ordinary dividend is held at 6 per cent., absorbing £505,201—for the previous year to February 27, 1971, when profit, before tax, was £6.9m. and the attributable figure £3,383,000, the dividend total was 20.4 per cent. Cost of the interim Preference dividend was £10,000.

	Six-months 1971 £000	1970 £000	Year 1970-71 £000
Trading profit	3,190	2,838	7,736
Interest	371	387	791
Profit before tax	2,819	2,451	6,945
Tax	1,188	1,010	2,938
Net profit	1,631	1,441	3,957
Minorities	211	338	604
Attributable	1,420	1,103	3,383

See Lex

Derritron loss £0.22m: no dividend

ELECTRONIC equipment manufacturers, Derritron, incurred a group loss of £223,178 for the year to April 30, 1971, against a previous profit of £78,087, and there is no Ordinary dividend, compared with 10 per cent.

However measures have been taken to return the company to profitability, and in order to restore the financial position arrangements are being made for a rights issue at par of three new Ordinary 10p shares for every two held to holders registered on October 22. Yesterday the shares rose 2p to 13p.

The size of the year's loss is much greater than anticipated when the figures for the first half (loss £35,005 against a profit £35,440) were announced.

The directors explain that the difference is attributable to the loss on the two CERN contracts which was much greater than expected and, secondly, the necessity to write off a substantial amount in respect of obsolete and obsolescent items of stock.

In view of this situation, a fundamental reappraisal of the company's position has been undertaken. In the directors' opinion the normal business is soundly based and, with the CERN contracts out of the way and following certain organisation changes now effected "the company will be able to return to profitability."

After a tax credit of £38,260 (charge £28,904), the year's net loss is £184,918 (profit £49,183).

The rights issue is being underwritten by the company's brokers. Proceeds, with existing resources, will provide the group with sufficient working capital for present requirements, it is stated.

Full details together with nil paid provisional allotment letters will be posted with the chairman's report and accounts on October 29.

Sheffield Rolling Mills setback

Pre-tax profit of Sheffield Rolling Mills fell from £474,496 to £378,462 in the year to July 31, 1971, and the directors say future results will depend on a resurgence of demand in the steel industry which, it is hoped, should take place before July, 1972.

Total dividend for the year is 10 per cent. compared with 8 per cent.

The Board reports that during the 12 months order intake declined and reduced the level of operation in the later months. This lower level of activity has continued since July.

	1970-71 £	1969-70 £
Turnover	11,832,500	12,305,700
Invest. income	17,064	13,290
Trading profit	796,545	867,918
Loan stock int.	237,500	214,593
Depreciation	197,967	19,129
Profit before tax	378,462	474,496
Tax	161,000	*20,000
Net profit	217,462	454,496

*Subject to exceptional initial allowances.

£0.5m. loss at Mettoy: no interim

AN OPERATIONAL LOSS of £369,000 was incurred by Mettoy (makers of "Corgi," etc. toys) on the 36 weeks to September 19, 1971; and adding £124,000 terminal cost of closing the Stanley Road factory gives a total deficit of £493,000.

There is no interim dividend, against 4 per cent. from profits of £679,000 for the comparable period, including insurance compensation. The year 1970 finished with a surplus of £76,689 and the final dividend was passed.

The directors explain that the drastic cutback on overheads was not yet effective during most of the period. Adverse conditions in many important markets for die-cast toys and the consequent reduction in production prevented full recovery of overhead expenses from current output. Results of profitable activities in other fields were insufficient to make up for the loss suffered on die-cast toys.

Steps have been taken for further reduction of overheads and additional measures to that effect are in hand, so that reaching break-even point on this important part of activities "is within sight."

A start to a reasonable return can be looked for, but may not be reflected in the accounts until 1972. A credit for corporation tax will mitigate correspondingly any net loss for the year.

They point out that the recent failure of the biggest British toy group has introduced additional uncertainties. At the same time it may well offer opportunities for redeployment in the industry "which are having our attention."

Steps taken and under way should ensure profitable operation for die-cast toys in the changed circumstances. New ranges of products are well advanced and ready for introduction in 1972, holding out promise for return to overall profitable operation even if recovery in the markets for die-cast toys should be delayed.

See Lex

J. Finlay to hold profits

The Board of James Finlay, Glasgow-based merchants and bankers, says present indications are that 1971 profits should be at least maintained at last year's level.

Meanwhile, the interim dividend is maintained at 3½ per cent. Previous total was 14 per cent. paid from pre-tax profit of £821,504.

The group has interests in whisky distilling, tea growing and textiles.

BIDS AND DEALS

Bovis buying Twentieth Century from FNFC

THE BREAK-UP of Spey Finance, acquired only in July by First National Finance Corporation, was completed yesterday when FNFC revealed it had arranged to sell Twentieth Century Banking Corporation for £6.5m. cash.

Buyer is Bovis, the construction, housing and property development group.

The outcome of FNFC's involvement with Spey has therefore had the effect of being a cash raising operation, while at the same time it resulted in a number of "blue chip" institutions taking FNFC shares.

FNFC paid £8.5m. for Spey, £1m. of it in cash and the rest accounted for by the issue of 2.72m. FNFC Ordinary to the institutions which had backed Spey.

The deal also involved FNFC taking on £4.5m. of debt—this is not to be transferred with Twentieth Century to Bovis. So the total involved was £13m.

Since July, FNFC has sold Graham Finance for £1.4m. cash, Goulston Finance for £5m. in shares and loan stock (from Cannon Street Investments) and now Twentieth Century for £6.5m. cash—making £12.9m.

Twentieth Century's net assets are worth £3.5m. A statement last night contained the claim from Mr. Frank Sanderson, managing director of Bovis, that "the banking activities of Twentieth Century are almost totally concentrated on financing property developments. With our experience in the property field, this acquisition represents a natural extension of our business into a closely-related activity."

U.K. PROPERTY TERMS FOR THAMES INVEST.

Shares in United Kingdom Property rose 40p to 250p at one stage yesterday well in front of news that talks with Thames Investment and Securities, announced some time ago, had resulted in agreement being reached so that UKP is to acquire Thames.

Thames is a public unquoted company and is controlled by Throgmorton Securities which already holds 20 per cent. of UKP. It is almost as big as UKP and its emphasis is on property development rather than property investment which is UKP's current main interest.

Terms value Thames at just over £2m. or 185p a share. They are: 17 UKP Ordinary plus 2 warrants (estimated by sources close to the company to be worth 80p each at last night's closing price for the UKP Ordinary of 230p, up 20p on the day), for every 22 of the issued 1,371,000 Thames Ordinary.

The UKP Ordinary to be issued will not rank for dividends for the year to June 30 last. Each warrant will carry the right to subscribe for 1 Ordinary at 235p a share exercisable over the next five years.

The directors of Thames, who together control 1,133,012 Ordinary shares (82.6 per cent.), will recommend the offer to all other holders and intend to accept. Mr. D. Heimann and Mr. A. Morris who are directors of Thames, are also directors of UKP.

Pre-tax profits for Thames for the 15 months ended March 31, 1971, were £33,269. Its current net asset value on the basis of a recent professional valuation is £2,289,000.

During the negotiations, UKP was advised by N. M. Rothschild and Thames by Lazard Brothers.

Ryans car hire sale

Ryans Tourist Holdings announces that as a result of negotiations with Hertz International and an offer which provides substantial capital for extension of the group's more profitable hotels and tour operation activities, it has entered into an agreement which provides for the acquisition by Hertz of all the capital of Ryans Car Hire effective January 1, 1972.

Ryans Tourist will receive £450,000 as net proceeds arising from the arrangement. In addition, it retains ownership of its valuable city centre properties.

The agreement provides for mutual co-operation, an exchange of know-how and promotion of Irish holidays at centres throughout the world.

On the basis of proportion of capital, car hire represents 10 per cent. of Ryans present group business and 14½ per cent. of total sales. Ryans calculates that the effect of the transaction will be to bring about a contribution to profits in current and future years, greater than would have come from car hire.

While audited accounts for Ryans Tourist for the year ended August 31, 1971 are not yet available, Ryans is satisfied they will show an increase in profit over the previous year's £188,000.

The company is actively considering a number of hotel developments in addition to its new London 450 bed hotel which will come on stream in the coming summer.

New Court buys 25% of Siemssen

New Court and Partners, the venture capital offshoot of merchant bankers N. M. Rothschild, has acquired a 25 per cent. stake in the tobacco and confectionery group Siemssen Hunter from J. H. Vavasseur.

New Court made it clear yesterday that it regarded its stake as an investment, and that with the concurrence of the Takeover Panel it would not bid for the remainder.

However, the news boosted Siemssen shares by 10p to 122p. At this price the company is valued at £1.46m., and the New Court stake at £365,000.

The balance of the 31 per cent. Vavasseur holding in Siemssen, amounting to 6 per cent. of the equity, is being acquired by the directors of Siemssen Hunter.

PEACOCK & NILAMBE

The Board of Peacock and Nilambe Tea Estates (Holdings), which announced in September that merger negotiations were in progress with another plantation company, now discloses that the company referred to is Sasini Tea and Coffee, incorporated in Kenya and quoted on the Nairobi Stock Exchange. Negotiations are proceeding "satisfactorily."

In the year to September 30, 1970, Sasini made profits before tax of approximately £287,000 at current rates of exchange, and earnings, before preacquisition profits of a subsidiary, of £186,000. Consolidated net assets at that date, excluding tax equalisation reserve, were £1,048,000.

It is envisaged that any merger would affect only those stockholdings in Sasini registered with addresses outside Kenya, Uganda and Tanzania, amounting to over 60 per cent. of the capital. Proposals will be put to shareholders of Peacock when audited accounts of Sasini for the year 1970-71 are available—it is expected it will be possible to do so early in 1972.

BSC halfway loss—property sale

ANNOUNCING A first-half loss of £665,461, against some £600,000 forecast and £549,459 in the corresponding period, Mr. Alister Mackay, chairman of British Steel Constructions (Birmingham) also reports the sale of part of the Barry Staines property for £1,625,000.

Mr. Mackay says most of the factors which caused the first-half deficit are still operating "but improved results are being achieved in the fourth quarter.

"A further substantial loss must therefore be forecast for the second half-year." But the Board expects that, with the repayment at par of the £1,575,000 15 per cent. loan stock 1970/72 of Barry Staines on December 23, and with the accelerataion of the rationalisation programme providing improved liquidity, the group will return to profitability during the second half of 1971-72. Repayment of the stock will eliminate an annual interest charge of £236,250.

In the six months to April 30, 1971, turnover fell from £12,289,555 to £11,637,062. Trading surplus was £188,739 (£426,377) less depreciation £283,722 (£279,093) and interest £570,478 (£528,763). For the year to October 31, 1970, there was a pre-tax loss of £545,124. The last dividend was a 7½ per cent. interim for 1967-68.

Mr. Mackay points out that, in common with much of industry, BSC (Birmingham) experienced critical trading conditions in most of its markets, particularly in the engineering and plastics sectors, together with escalating costs.

Shortage of liquid funds continued to disrupt the normal operations of all subsidiaries with a severe adverse effect on results. This shortage was further aggravated by the necessity to fund completion of the Staines site development from group cash resources which would otherwise have been used for trading purposes.

Development of half of the Staines site has been completed and a contract for the sale of the other half has been concluded.

The contract requires that the land will be conveyed to the purchasers in two parts: first, the residential part for which planning permission has been granted, and second the office development part when planning permission has been received.

The sum of £1,575,000 will be paid by the purchasers on December 22 to enable repayment of the loan stock on that day.

At September 20, group overdrafts aggregated approximately £2,055,000, mortgages and secured loans £1,269,000, hire-purchase commitments £612,000 and other loans £118,000.

Mr. Mackay says the directors are satisfied that, taking into account existing bank facilities the group, after the transaction has been completed, will have sufficient working capital for its requirements.

The Arts

Opera in New York

BY DAVID HAMILTON

Rudolf Bing's 21st and final season as General Manager of New York's Metropolitan Opera opened with a commemorative revival of his first production, the famous Margaret Webster-Rolf Gérard *Don Carlos* (the four-act version remains preferred by management). Still around from that notable occasion in 1951 were Cesare Siepi (Philip) and Robert Merrill (Rodrigo), plus Lucine Amara, who on opening night recreated her début role as the "Celestial Voice" (I heard the first repeat when Jeanne Altmeyer made *her* début in this part—a pretty enough sound, at any rate.)

Sorely missed was the tenor of that earlier occasion, Jussi Björling, for Placido Domingo seems intent on driving his voice beyond its present resources and aggravating rather than correcting his technical deficiencies ("Io l'ho per-doo-hoo-ta," for example), and also the conductor, Fritz Stiedry, who commanded a rhythmic vigour quite beyond the capabilities of Francesco Molinari-Pradelli. Grace Bumbry (Eboli) and Martina Arroyo (Elisabeth) came closer to a genuine standard of quality—especially the former in the Veil Song; later, in "O don fatale," the tone was more blustery, less focused.

If all this suggests the ingredients of a tolerable performance, one must further note the constant wars between stage and pit over tempos (Siepi repeatedly fitting four beats to Molinari-Pradelli's three in the first phrase of "Dormirò sol"), the appalling state of the chorus (the six deputies from Flanders offering a novel and decidedly un-Verdian heterophony), the general indiscipline of the staging (hardly a trace of Miss Webster's original work remains, so that while Siepi has evolved a new and convincing "older" portrayal of Philip, Merrill has reverted to his single gesture, a semaphore signal indicating the approach of a high note). In short, a typical Met evening, with every man for himself and hardly anyone for Verdi, that summed up what has been wrong with the Bing era: the inability to preserve even its best achievements from deterioration under the sloth of daily routine and the lack of conviction that opera involves much more than scenery and loud voices.

*

That lack of conviction was depressingly manifest in the season's first new production, the first presentation of Weber's *Der Freischütz* on a local stage since 1929. Originally scheduled for the strike-abridged season of 1969-70, the team first announced had included Karl Böhm (conductor), Rudolf Heinrich (designer), and Otto Schenk (director), but of these only Heinrich eventually materialised, now doubling as director too, with Leopold Ludwig in the pit; the cast included Pilar Lorengar (Agathe), Edith Mathis (Aennchen), Sándor Kónya (Max), John Macurdy (the Hermit), Gerd Feldhoff (Caspar) and Michael Ebert (Samiel)—the latter two making their Metropolitan débuts.

Those who know what the "new Met" can do in the way of stage magic (as demonstrated in the famous production of *Die Frau ohne Schatten*) had high hopes of the Wolf's Glen scene, but these were sorely disappointed; instead of the prescribed visions and terrors, there was an unconvincing avalanche of styrofoam rocks, followed by some flash-powder lightning and a timid storm. I would not go so far as to say that the entire score is not worth doing if you can't bring this scene off effectively—but a director-designer who does not understand its theatrical purpose (atmosphere, plain and simple; it certainly does not advance the plot) has failed to grasp the essence of Weber's achievement in the work as a whole. Heinrich's expressionistic esthetic cast an air of decay over the sets, with Agathe's cottage plunged into a forest of tropical density—one wondered how she found out that the stars were shining so brightly during the prayer scene? All those rotting trees, seemed to say, "Look, we're so much more sophisticated than these German peasants, let's show them living in a corrupt world, too ignorant to realise it." But of course the balance of the score is quite the other way: Weber's world is a good world, full of the health of nature and the love of God, and we all know—or should know, in a properly conceived production—that Samiel is an intruder, at home only in the Wolf's Glen and similar foul places, and that virtue will triumph in the end.

The final scene from Weber's "Der Freischütz"

If everything was awry visually, there were some few auditory compensations. Miss Mathis was a superior Aennchen, with a sweet, true voice and ample rhythmic sparkle, while Miss Lorengar offered warmth of phrasing if not always the necessary security of pitch. Feldhoff overcomes a certain plainness of voice by the thrust of his articulation; like Mathis, he brought his own stage business with him from Hamburg, and projected a more precise character than those dependent on Heinrich's limited invention. Kónya could learn a good deal from Feldhoff about sculpting a melodic line; by throwing consonants away at the ends of syllables, he loses them for attack purposes, and so enters most of his notes with a rhythmically indeterminate slide, which is not only unmusical, but also unpleasant.

Perhaps most heartening was the uncommon vigour and ensemble of the chorus, who sounded very much as if they enjoyed having good "new" music to sing for a change. Ludwig conducted with limited vigour, but was hardly as dampening a factor as in last year's *Parsifal*. He did acquiesce, regrettably, in one piece of musical idiocy: the entracte that is supposed to precede Act 3 (essentially an orchestral transcription of the hunting chorus that opens the final scene) became an interlude between the scenes, and thus two good things were made into too much of one good thing.

After their labours in Washington with Handel's *Ariodante*, Julius Rudel and director Tito Capobianco returned to home ground at the New York City Opera to prepare a new production of Bizet's *Carmen*, with sets and costumes by José Varona. The substantially fr[…] cluded Joy Davidson […] Joanna Bruno […] Michele Molese (Don […] Robert Hale (Escamillo […]

This was a Carmen […] Ideas—some good, some […] and many poor. Cap[…] fondness for theatrical […] tion produced exampl[…] categories, including a[…] for Carmen riding a […] stage in Lillas Pastia's […] on which the Chanson […] was presented as cabar[…] tainment; a cluttered set […] last act that included a […] view of Escamillo's […] room; a bare stage at […] so that José's "You may […] me . . ." was directed to […] at all—and so on. The fascination extended to […] for the captains of the gua[…] had to suffer the indig[…] being led on and off […] what price realism, any[…] everything that was we[…] aged, such as Carmen's […] at the end of the first a[…] were half a dozen […] when one wished e[…] would just stand still […] creating elaborately […] visual counterpoints to […] score, one of the most […] ally specific in the liter[…]

Among the muddle[…] must be classed Mr. […] dabbling with the […] "Urtext" score. You mi[…] pose that the first step […] "Ur-*Carmen*" would be […] elimination of the Guiraud […] tatives with their tedious […] servatoire modulations […] according to Rudel, these […] "minor masterpieces," a […] of clarity and conciseness, whereas spoken words are […] narily much faster than […] which are sung, the recit[…] are actually more rapid […] direct than the words the[…] plant." Well, yes—but o[…] dint of omitting a great […] words, some of them vi[…] the drama. The most sign[…] option for a new appro[…] *Carmen* having thus bee[…] passed, Rudel's minor r[…] tions from the pre-pre[…] version counted for very […]

Vocally, there was […] memorable in the perfor[…] although Miss Bruno starte[…] with a warm and well-mod[…] sound that unfortunat[…] cumbed to pressure […] act aria. Joy Davidson […] uncommonly handso[…] volatile Carmen, but […] was ineffective save in the […] used) chest register—a […] Carmen without a vocal […] less than half the role. […] were consistently trying […] ear, and Molese has nothing […] enough physical spontaneit[…] look comfortable in a prod[…] full of so much realistic […] Ensemble throughout […] evidence of under-rehearsal […] Rudel's penchant for […] tempos was frequently […] destructively in evid[…] Frasquita and Mercedes c[…] tell their fortunes fast e[…] to suit him.

The next move is up to […] Gentele, whose first season […] Met opens with still anoth[…] duction of Bizet's ma[…] (Strehler is rumoured to […] director, Bernstein the […] ductor)—is it too much to […] for a genuinely fresh appro[…] next time?

Picasso

BY MARINA VAIZEY

On Monday, October 25, Picasso is 90; London celebrations include the cloud of 90 racing pigeons, appropriate for the artist-creator of the memorable dove of peace, to be let off, weather permitting, by Sir Norman Reid and pupils of the Westminster Cathedral Primary School at the Tate Gallery. Meanwhile, the Institute of Contemporary Art, Nash House, the Mall, has arranged an interesting small restrospective collection, until November 7, of Picasso's work which also celebrates another birthday, the 90th anniversary of ORT, the Organisation of Rehabilitation through Training, which trains young refugees in four continents, 24 countries, 692 schools, and 88 trades: 64,000 people are now being educated in technical and vocational schools, and ORT is the world's largest voluntary non-political non-profit technical training organisation. ORT is anxious that its work be better known, and the happy coincidence of birthdays has provided an opportunity.

ORT is exhibiting, for their first viewing, Picasso's *Portraits Imaginaires*, a suite of 29 lithographs executed by Marcel Salinas from a series of imaginary portraits painted by Picasso in 1969, full of the wit and dash we have come to expect as a matter of course from the master. The retrospective collection comes from a number of private collections in London and covers 75 years of Picasso. For example, there is an enchanting small oil painting, conventional but already so assured, of the Port of *Malaga*, 1895. *Negro Dancer*, exhibiting all of Picasso's own zest, dates from 1907, a year which produced Sir Robert Sainsbury's superb gouache of a nude with raised arms, her face with great brooding eyes exhibiting all of Picasso's virtuoso handling of a kind of classicly monumental style. All styles in fact are here, a tender head of a man in muted colours and complex structure encapsulating the Cubist revolution, the classical etchings […] mythical themes from […] thirties, the obsessively […] ling, dramatic portrait of D[…] *Maar* from 1941.

Picasso's wit, flair, and […] thusiasm; his unparalleled […] nical virtuosity; his […] fertility, are made manifest […] small but well chosen exhib[…] of charmingly domestic pic[…] which form, in Sir Roland […] rose's words, "a local ge[…] an intimate homage and a […] of the admiration felt by […] for a man who has widened […] consciousness and enriched […] vision . . ." Picasso must […] the most famous painter in […] world, certainly the most fa[…] living painter ever. This ex[…] tion neatly demonstrates […] of the reasons why: and […] enough, for all his leadership […] the modern movements of […] 20th century, the one comm[…] able but untransferable ch[…] teristic of his work is […] unalloyed pleasure and […] thusiasm for the very proc[…] life and living—sad, or happ[…] observing—but always aliv[…]

ONDON
HESTRAS

to right: Gerry
nald, general manager,
Philharmonia; Tom
l, general manager,
Philharmonic; Harold
nce, general manager,
n Symphony; and
e Mann of the London
stral Concert Board.
ographs: Derry Moore)

tony Thorncroft looks into the money problems of London's four symphony chestras, and describes how they are learning to sell themselves

Salesmanship and survival

WEEK Pierre Boulez took appointment as chief con- of the BBC Symphony tra. He is controversial, garde and spectacular, and loubtedly intends to make h impact as possible with rchestra in the concert This must be rather un- g news for London's four orchestras.

r existence depends upon ardous financial juggling d they could well do with- ch imaginative competi- For while every large city supports its own tra, either through heavy y or industrial patron- London has four lightly ised orchestras which, to e, must compete for re- g contracts, film work and rs, on top of their concert ances.

umblings

we were starting afresh no ould pretend that London four symphony orches- says Mr. Gerry McDonald, l manager of the New rmonia Orchestra. But re four, and despite the nendation of the Peacock last year that only two be subsidised (which that two should dis-) it would seemingly take thquake to force a volun- ose-down or merger.

ct there have been some ominous rumblings. At ment the four orchestras. oyal Philharmonic, the Symphony, the London rmonic and the New Phil- nia, receive support from ndon Orchestral Concert to the collective tune of 0 a year. This money ided jointly by the Arts l and the GLC and is basi- linked to the 30 or so ts that the orchestras present in London, pre- ntly at the Royal Festival

George Mann, who admini- e subsidy for the LOCB, foresee it declining— could even be a small e next year—but it is ly not rising in line with o-day the four orchestras nnual turnovers of be- £500,000 and £750,000 and bsidy accounts for less per cent. of their income: ke ends meet they must k on their own resources, it means recording work.

An orchestra can earn £5,000 from a recording, and all four have become dependent upon them. If the contracts dry up, as they did a year or so ago for the NPO, survival becomes difficult. In the past year, however, there has been a disturbing trend for record companies to go abroad for orchestras. East Germany, Monte Carlo, even Japan, may not be able to offer orchestras of the British standard, but they are considerably cheaper.

Mann says the orchestras have been complaining about a shortfall in recording work for years and have still survived, but with classical record sales falling (down to 5 per cent. of the total in the U.S.) and a surfeit of cut-price recordings on the market, the orchestras are being forced to look elsewhere for cash.

For Tom Petzel, the new 26-year-old general manager of the Royal Philharmonic, the future lies with commercial sponsorship. Already Seagrams, the Curzon Group and Biostrath have sponsored RPO concerts at the Albert Hall and Chambourcy is about to do so. "It's an attractive form of diversification which gives them cultural prestige and does not cost much," says Petzel. Indeed, if all the seats are sold the sponsor can recover his costs and present the RPO with the profits. As well as the opportunity to entertain clients, the sponsor gets the chance to address the audience in the interval and the first concerts have been successful enough for the companies to repeat the exercise next year.

Two advisers

There is an obvious danger in an orchestra becoming too committed to companies which may withdraw support in hard times, so this year the RPO appointed for the first time two non-playing directors, David Kingsley, of KMPH, the advertising agency, and Sydney Samuelson, of Samuelson Film Services, to advise them on the best way of selling the orchestra on all fronts. Not that the RPO has done badly on its own initiative.

To the dismay of its competitors it has played profitable mixed media concerts with pop groups like the Nice and Deep Purple and each year presents a concert of film music which "makes more money for us than fifteen provincial concerts."

The RPO has to be money conscious because it has passed through a tricky financial period since the death of its founder and financial provider, Sir Thomas Beecham. But it is not alone in looking to industry for help. The London Symphony receives £12,000 a year from Peter Stuyvesant for certain concerts, particularly costly presentations like Stravinsky's *Oedipus Rex*, and the London Philharmonic, under the energetic management of Eric Bravington, has pioneered industrial concerts whereby the orchestra plays to a company's staff—at a price. It is also supported by W. D. and H. O. Wills and has a regular contract to play at Glyndebourne which keeps it busy during the summer.

There is another source of financial help—the record companies. The NPO was founded as EMI's recording orchestra, and last week the LSO was able to play a series of concerts in Milan because a record company supported the trip. Not that the LSO needs much outside help. It has probably been the most profitable orchestra in recent years, largely because it has the headline-catching André Previn as its principal conductor.

While the other orchestras have suffered from indistinct images and have tended to play safe in their repertoires because of the losses made on concerts of new music, Previn and the LSO have been able to get away with more adventurous programmes, such as the recent two performances of Shostakovich's *Symphony No. 13*. As the general manager of the LSO, Mr. Harold Lawrence, says, "We are probably the most recorded orchestra in the country." The LSO has also monopolised a large amount of television work, as well as such profitable contracts as the film scores for the *Music Lovers* and *Song of Norway*.

But however much help the orchestras receive from other sources, it will be in the concert halls that they will succeed or disappear. As McDonald of the NPO says: "An orchestra which aims at the highest quality should not have to take on work with pop groups and recordings. They blur its image and tire out the musicians." The trouble is that orchestras still pay their members by the session rather than a regular salary and while their financial problems exist they are naturally tempted to take any work on offer—last year there was one week when the LSO took part in 20 sessions; a reasonable work schedule is nearer ten.

Unfortunately, concerts may be the most satisfying for the musicians but they seldom make money, especially if they are at all ambitious. The Arts Council-GLC subsidy works out at about £1,400 a concert but only with a diet of Beethoven and Tchaikovsky are you likely to fill the Festival Hall and recover costs. For example, the NPO recently put on two Mahler concerts which were complete sell-outs, but they made a loss of £950 because of the extra rehearsals and payments for soloists. Similarly, when the LSO presented the Shostakovich *13* it needed two rehearsals at £600 each and a professional chorus at another £600: there was no chance of making a profit.

In fact Lawrence estimates that two years ago each concert produced an average deficit of £200; to-day the figure is nearer £500, and McDonald says his orchestra must make at least £15,000 from other sources to cover its losses at the Festival Hall.

Big audiences

Thus there is the ironic situation that through their London concerts the orchestras earn public money but through those same concerts they chalk up their most substantial losses. And yet they attract good audiences: there was a 77 per cent. capacity in the Festival Hall in 1969-70 and when the latest figures are released Mann reckons they will show only a fall of 1-2 per cent.

To the orchestra managers the solution is simple. "We are getting good music on the cheap," says McDonald. If the subsidy were increased to cover all the administrative costs, if the Festival Hall concerts could be guaranteed against loss, the orchestras would probably be prepared to give back some of their profits from recordings to the Arts Council, perhaps to help the provincial orchestras. It seems undeniable that individually the orchestras do not receive much help: the problem is that there are four of them.

Perhaps when the LSO eventually moves to its new home in the Barbican the cash position will be easier. The City will presumably underwrite its concerts there and the other three orchestras may be able to put on subscription concerts (presenting the same programme more than once) at the Festival Hall and thus reduce their losses, although the LSO will surely fight to maintain its Festival Hall appearances—and its subsidy.

Freelance

One other factor likely to keep the orchestras alive is the opportunity the musicians have for freelance work. The best of the 90 or so members of each orchestra can boost their incomes by playing for TV commercials or as backing for pop group recordings. Indeed, there is a danger that some of the best players, especially among the strings, will go completely freelance. At the moment a good musician in one of the four orchestras can earn between £2,500-£3,000 a year from his session work, with such bonuses as £24 for a jingle backing and even more for a pop recording. In addition they can teach—the LSO, anxious to consolidate its links with the City, encourages its members to help out at the Guildhall School of Music.

Thus the four orchestras can survive if they push their members to the limit. But this is a disagreeable situation. Perhaps the best way of removing the intense commercial pressures is for the four orchestras to develop more distinct personalities. Research suggests that the name of an orchestra or even a conductor is not all that important when someone is planning to go to a concert. But it could become so, and there are already signs of specialisation. At least all the orchestras realise they must sell themselves — to industrialists, to local government, to the Arts Council, and to concert-goers. The survivors will not necessarily be the best musicians but the best salesmen

Gardening

Trees under attack

BY A. G. L. HELLYER

PERHAPS it is because, during the past 20 years, I have been increasingly concerned with trees that they have seemed to me to become progressively more threatened by pests and diseases. Yet there is no doubt that willow canker did begin to flare up in the late 1950s after a long period of quiescence; so much so indeed that at one time it seemed likely to wipe out most of the golden weeping willows, which proved particularly susceptible. Fortunately this particular epidemic seems now to have passed its peak and some trees which looked very sick a year or so ago are slowly improving.

It would be satisfactory to record that this improvement was due to the use of effective control measures. One could then feel confident that, should the disease flare up once more, it could again be checked. Unhappily there is no such assurance and I doubt that treatments of any kind have played much part in stemming the disease. For one thing there is the physical difficulty of applying them. The most effective involved spraying with a copper fungicide at least three times each year, with a complete coverage of leaves and twigs at each application. This may be feasible on nursery saplings or even on garden trees up to about 15 feet in height. But beyond this it becomes an almost impossible task.

Poplars

It was precisely these physical obstacles which prevented me from taking any effective action when my 30-year-old Lombardy poplars first showed symptoms of leaf spot some years ago. This disease, closely allied to the willow canker and very common on poplars in late summer, usually does no more than severely disfigure the leaves and cause them to fall early. The trees may be weakened a little by this premature defoliation, but they are not normally killed.

My trees were less fortunate. The leaf spotting was followed by stem cankers which destroyed the bark of the young twigs, causing them to die progressively from the bottom of the trees upwards. After a few years my beautiful Lombardy poplars were reduced to scarecrow poles bearing tufts of living branches at the top. Then one died completely and one snapped in a gale and all had to be felled for safety. The roots proved to be infected with honey fungus, another of the tree diseases that has been launching an offensive in recent years, and no doubt it was this that finally killed them. But I have no doubt that leaf spot and stem canker had made the trees vulnerable to the soil borne fungus.

As I drive about the country I see many Lombardy poplars in similar condition, yet few estate owners seem aware of the danger. Trees that grow fast die fast they say, and leave it at that. Yet when I was in Normandy last May I saw miles of young Lombardy poplars being felled; not, so far as I could gather, for road widening but because of the poplar disease spreading among them.

Elms

Though poplar leaf spot and its attendant cankers or root decays have so far passed almost unnoticed in Britain, Dutch elm disease has suffered from a blaze of publicity. I say "suffered" because, though it is wise to be aware of the dangers, it is folly to panic about them and that is undoubtedly what some garden and estate owners are doing. I fear, too, that there are some ignorant or unscrupulous professionals who are ready to diagnose "elm disease" whenever a tree is looking unhealthy and cash in on the opportunity to cut it down.

There are, therefore, several things that need to be made plain about this disease. First, it is confined to elms and even among these there are resistant kinds. Most useful of these are selections made in Holland, notably a form of the hybrid Huntingdon elm named Commelin. This is a really vigorous tree making a fine specimen and entirely happy in Britain where the original hybrid occurred more than 200 years ago.

The second point about the Dutch elm disease is that, though it can kill a large tree in a few weeks, if it does not do so in one summer it may not reappear the following year. This is because it lives solely in the actively growing cells just beneath the bark—the cells that form the annual rings by which the age of a tree can be ascertained—and is carried from one year's ring to the next by bark boring beetles. If there are no beetles there is unlikely to be any re-infection.

Because of its method of spread and the limitations that this imposes, it is essential to cut off all infected branches as soon as they are noted. Whether the whole tree must come down depends upon whether beetles are actually living in it or not. If small holes can be seen in the main trunk or limbs, apparently drilled in the bark, the beetles are there safely protected and felling will be necessary.

But it is really wise to call in an expert before facing the loss of a fine tree. It can be expensive, too, though if felling is done promptly the sale value of the timber is unaffected. All bark should be stripped and burned together with small branches, useless as timber and probable homes for the beetles.

Grey squirrels, having left me alone for years, have suddenly become a menace. This summer they have barked almost every sycamore in my garden.

Favourite

Sycamore bark is a favourite squirrel food in late spring and early summer, and these sycamores, which I do not greatly value, have therefore served as an effective early warning system. But now I am faced with the additional problem of grey squirrel control and I know from observation, conversation, and letters in the papers that many other tree owners are in the same plight. Cage trapping seems the most practical remedy and models approved by the Forestry Commission are available, such as the Legg Midget, the Legg Permanently Baited and the New Forest.

Mr. Harry Wheatcroft writes to tell me that the low-growing scarlet rose which I could refer to a fortnight ago only as No. 2078 is now named Topsy. He says that he has a bed of 200 in his garden with no trace of mildew, and that it is bound to be in tremendous demand. Another correspondent points out that I have my Irishmen mixed since it was Pat Dickson, not Sam McGredy, who raised the new rose Mala Rubinstein. Of course, and I apologise to both of them.

OVERSEAS TRADERS

Looking towards the East for growth

BY JAY PALMER

AT FIRST SIGHT there is some justification for the view that Anglo-Thai's main and perhaps unenviable claim to fame lies in it being one of the most misunderstood and consequently misrated Far Eastern companies quoted in London. For many years now, the shares have sold on an average multiple of about four in spite of constant exhortations by the Press that they were worth more and, more to the point, producing an earnings growth which would have put most U.K. industrials to shame.

Recently, however, the City's and, more important, the general investing public's growing enthusiasm for all things Eastern (a trend which appears to have grown up with the boom in the Japanese and Hong Kong stock markets) has spread to encompass the overseas traders en masse. More or less in line with the long overdue revaluation of such so-called "low quality earners" as Inchcape, Paterson Zochonis, Mitchell Cotts and Jardine Matheson, Anglo-Thai's shares have risen from an adjusted 56p last February to 147p yesterday where the p/e is 9¼.

In Anglo-Thai's case at any rate, the irony is that the earnings growth has actually tailed off a little in the last couple of years. Between 1967 and 1969, the group increased adjusted earnings from 6.2p a share to 12.5p—a compound growth rate of about 42 per cent. However between 1969 and 1971, earnings only increased to 15.9p (excluding exceptional credits) giving a compound growth rate of 13 per cent. Nevertheless the four-year compound growth rate of 26 per cent. is not to be sneezed at.

Aside from stating that about 98 per cent. of total group profits come from the agency businesses (and the other 2 per cent. from manufacturing or processing), Anglo-Thai makes no attempt to analyse the source of profits either geographically or commercially. While the group's extensive cross-country trading activities would make the calculation of this sum difficult, the main reason for the absence of the figures is probably due to a very real fear (common to most of the overseas traders) that any publication of profits by countries could not but be harmful to the group's image and financial treatment in those countries.

All we know for certain is that the group's principal subsidiaries and activities are located in the U.K., Thailand, Malaysia and Singapore, India, Canada and Hong Kong, but there seems a very good chance that Thailand and the Malayan peninsula contribute the lion's share of profits. Certainly the most obvious explanation of last year's profit pattern (an annual pre-tax increase of 19 per cent. after a 62 per cent. jump in the first six months) is that the second half caught the full effect of both the tougher import duties in Thailand (where the group stopped assembling Fords but retained the distribution and agency rights) and the general economic lassitude in Malaysia in line with the lower world prices for rubber.

Differential

Such a differential in half-year trends is nothing new to Anglo-Thai; in 1969-70, for example, the reverse was true when the bulk of the year's growth materialised in the final quarter. Most observers seem to agree that the outlook for potential growth is excellent out East, and on such a basis Anglo-Thai is well suited to get on the band wagon.

So on this basis, what is stop the shares' revaluation at the current 9¼ p/e when Inchcape, for example, is selling on a historic 20 (or prospective 17) multiple? As I pointed out last week in this column talking about Hutchison, the differential evolves from Inchcape's wider geographical spread and, more important, its published spread of profits and assets. So what it boils down to is that Anglo-Thai's earnings are worth what you make of them — no more and no less.

As long as the present fashion for revaluing overseas traders lasts, this is fair enough and the shares will probably go higher. After that the market—rightly or wrongly—will go back to thinking that with the group's earnings growth dating back to the U.S. military build-up in Thailand, the present policy of disinvolvement must mean something. Whether or not this is a valid point, the fall off in commodity prices and business activity linked to the greater threat from Red China ex-the U.S. forces does not suggest the most favourable of growth climates in the next few years.

Although Wheelock Marden is a very different kettle of fish, it also has often been regarded as something of an enigma by the market. Throughout the 1960s, a number of disastrous operations were started, earnings fluctuated and appeared to lack any upward trend and the group's image suffered accordingly. Those days are now over with the group having established a tremendous growth in earnings over the last three years by spreading its tentacles as far as Australia, Japan and the Bahamas while at the same time retaining a strong base for local growth in Hong Kong.

Unlike the archetypal trading houses with their agency businesses, WM has concentrated on areas of sophisticated and technical development, which will only produce real returns over the next decade or so. At the moment the group probably makes about 60 per cent. of its profits from Hong Kong (ex-shipping), 25 per cent. from shipping and the remainder from its overseas interests. Against this London brokers Vickers da Costa suggested in a recent review that Hong Kong accounts for 40 per cent. of assets and shipping 35 per cent.

HK cross-harbour

The group's main future areas of growth appear to be still closely linked to the strength of the Hong Kong economy with shipowning, real-estate and the tunnel venture looking the most promising. In time the embryonic insurance broking and computer leasing could become important. Although earnings last year were marginally down at HK$1.33 a share (and next year's return is unlikely to be much higher), it has been claimed that this stagnation is deceptive with the group likely to experience a tremendous boost to earnings between 1973 and 1976.

Even if the estimates of quadrupled pre-tax profits by 1976 prove over-optimistic (and there are those who think it unlikely), one thing is clear beyond doubt. Since its troubled days five or six years ago, WM has evolved into a much more sophisticated animal with a much higher quality of earnings. In view of this, the 15¼ p/e at 168p is not wrong in disregarding the current pause in earnings growth.

aleroom

ousseau painting fetches $775,000

otheby Parke-Bernet gal- New York, on Thursday an impressionist and n paintings and drawings ealised $3,400,350. A record 20th-century work, $775,000 paid by Norton Simon ation for *Paysage Exotique* by Henri Rousseau, signed and dated 1910.

A London gallery paid $150,000, a record for a German expressionist painting, for *London, Waterloo Bridge*, by Oskar Kokoschka. Monet's *La Seine à Chatou près d'Argenteuil* went to a private collector for $145,000 and his *Peupliers à Giverny; Temps Couvert* to a New York dealer for $95,000. Marlborough Gallery obtained *Mer et Nuages* by Nicholas de Stael for $80,000, a record for the artist. *Le long du bois en Automne, Fontainbleau*, by Sisley, went for $105,000, and *Patineurs en Hollande*, by Jongkind, signed and dated 1863, for $75,000, a record for the artist.

At Sotheby's in London yesterday a sale of Continental furniture realised £28,572. Drey gave £2,000 for a late 17th century Italian painted centre table; Cura £1,300 for a mid-18th century Italian walnut bombe commode, and de Metter £1,250 for a mid-18th century Dutch marquetry display cabinet. A mid-18th century German walnut marquetry commode went to Rubin for £850, a mid-18th century Dutch marquetry bureau to Scott for £800.

At Sotheby's, Chancery Lane, the two-day sale of the third portion of the Willis King III Library finished with a total of £23,123.

A sale of pictures and sculpture, 1800-1900, at Christie's which totalled £103,352 included three record prices. Del Soldato paid 6,000 guineas for a painting by Raffaelo Sorbi *Soldiers taking refreshments outside an inn*, Plasser 5,000 guineas for a flower painting of roses, hydrangeas, bluebells, tulips, fuchsias and other flowers by Frans Xavier Petter and Patterson 4,400 gns. for Willem Koekkoek's *A street scene in Amsterdam*, all of these being records for the respective artists.

A pair of pictures by Thomas Butterworth of British men o'war went to Omell for 3,200 guineas, and a coastal scene by Henry Redmore to Fischer for 3,100 guineas.

INSTITUTE OF PERSONNEL MANAGEMENT

Call for initiative in industrial relations

BY ELSBETH GANGUIN HARROGATE, October 22.

MANAGEMENT has the primary responsibility for good industrial relations and should take the initiative in creating and maintaining them, said Mr. Harold C. Spear, president of the Institute of Personnel Management and personnel director of the Central Electricity Generating Board, at the institute's national conference here to-day.

In his presidential address, devoted to Training for Management —To-day's Top Priority, he said that unless management was prepared to take the initiative in creating an atmosphere in which co-operation in working out solutions to common problems was possible, no amount of initiative from the employees would ensure success.

Mr. A. C. Mumford, deputy chief industrial training adviser at the DE, said the substantial growth in management training and development since the passing of the Industrial Training Act was largely due to the industrial training Boards, whose most effective weapons had been their levy and grant policies and the specialist management development advisers they employed.

Dr. L. Crijns, of the directorate of social affairs at the Commission of the European Communities, who talked about manpower policy in EEC, said its main principle was equality of treatment for national workers and foreigners.

The principle of close co-operation between the Commission and national administrations would avoid large and unjustified transfers of labour which might upset the economic and social order of national markets.

Mr. G. H. Wills, head of ICI's pensions department, said the Government's White Paper on pensions told employers "in clear and unmistakable language that prime responsibility for the financial well-being of future generations of pensioners rested with them through the media of properly funded as well as adequate private pension schemes."

Employers needed to make a regular review of pension levels to ensure that the standards of living of their pensioners did not suffer as a result of inflation.

Trade unions had the job of preventing the owners of industry from improperly exploiting or abusing power which that ownership gave them, said Mr. L. Murray, assistant general secretary of the TUC. Collective bargaining was the most effective means the unions had devised for this purpose. Joint consultation was an ancillary method, but this was inferior to joint determination, and was increasingly likely to be absorbed into the bargaining method of achieving industrial democracy.

"Most of the decisions that bear upon inflation originate with management," said Mr. P. J. Cooke, of Urwick Orr and Partners. "It is managers who determine many prices, who declare most dividends, and who are major participants in wage negotiations and agree to pay wage awards."

Prices should become part of the negotiation and a price reduction part of the outcome.

Many aspects of labour law and practice were likely to remain a national affair, if we joined the EEC, Mr. T. A. Swinden, deputy director-general (Industrial Relations) of the CBI, suggested.

NORWICH UNION BUYS HILL SAMUEL OFFICE

The Norwich Union Insurance Group announced last night that it had purchased the freehold City office building at 25, Mill Street, from Hill Samuel and Co. The contract price is not being disclosed.

Folkard and Hayward, acting for the Norwich Union, said that the property would be offered for letting on Monday. Gooch and Wagstaff acted for Hill Samuel.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Down again—off 22 on week

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Oct. 22.

YESTERDAY'S LATE bargain hunting was continued in early trading on Wall Street to-day, but follow-through demand was lacking and the Stock Market turned lower again to-day

After rising 4.23 to 859.08 in the first hour, the Dow Jones Industrial Average reacted to 852.37 for a net loss of 2.48 on the day and a fall of 22.48 on the week. The NYSE All Common Index shed 3 cents to $52.82, making a decline of 1.24 on the week.

Volume further decreased 430,000 shares to 14.56m., while declines at 686 and advances at 683 were about evently matched.

News of a 0.2 per cent. rise in the Consumer Price Index in September did not have much effect on the list, analysts said. Neither did the slowdown in the growth of the Gross National Product, which had been anticipated.

The main drag on the Stock Market continues to be apprehension about how successful the Nixon Administration's economic plans will be.

Airlines dominated trading. TWA were up $½ to $36⅜. Braniff $⅞ to $15⅛ and Delta $⅞ to $44⅞. But UAL lost $⅞ to $39½, and Seaboard World shed $⅞ to$11 ½.

Among Blue Chips, Dupont fell $1⅞ to $50⅞ and General Electric declined $1½ to $58½. Union Carbide shed $⅜ to $40½ on lower third quarter profits.

American Standard, second on the active list, dropped $5¼ to $15⅞—it itnends to sell $250m. in assets over the next few years and anticipates a substantial 1971 loss. However, management said it would recommend dividends be continued.

Transcontinental Investing climbed $⅜ to $6⅜ on a planned merger with Omega-Alpha.

Walter Kidde fell $1½ to $27⅜—a Federal Martime Examiner disapproved a plan for R. J. Reynolds to take over Kidde's U.S. Lines subsidiary. Reynolds rose $¼ to $54⅞.

The American SE Index held unchanged at $24.95, for a loss of 42 cents on the week.

OTHER MARKETS

Canada irregular

An earlier rally failed to hold on Canadian Stock Markets yesterday, and the closing trend was irregular in very light trading. Utilities and Banks were firm, but Base Metals, Golds and Western Oils eased while Industrials were mixed.

Great West Life Assurance gained 1⅞ to $42, Huron and Erie Mortgage rose 1¼ to $23¼ and General Products "A" put on $1 to $68, but Union Oil of Canada fell $2 to $45 and Placer Development declined 1½ to $19½.

PARIS—Prices continued to ease, following the higher September unemployment figures. But Cements were well maintained and Oils were mixed. Foods, Stores and Chemicals eased, other sectors narrowly mixed.

U.S. were mixed, Germans lower, Dutch issues steady.

BRUSSELS—Generally lower.

Golds steady in a generally lower Foreign section.

GERMANY—Lower on reduced demand, with tight Money market liquidity limiting activity. Leading Chemicals lost up to DM2.50. Electricals and Banks also eased.

Bonds were generally maintained.

AMSTERDAM—Local Industrials were quietly mixed. Plantations also were mixed, as were Shippings.

Internationals were mixed. Royal Dutch recovered Fl.1.6.

MILAN—Irregularly lower in quiet trading. Fiat lost Lire 24 to Lire 2,080, but Motta Rose Lire 39 to Lire 2,679. Financials were quiet, with Bastogi off Lire 6 at Lire 1,738. Insurances tended easier.

Bonds were quiet but steady.

SWITZERLAND—Slightly lower in quiet trading. Financials were mixed.

STOCKHOLM—Generally firm.

OSLO—Banks and Insurances steady, Industrials irregular, Shipping firmer.

VIENNA—Slightly firmer on little buying.

COPENHAGEN — Majority of small gains.

TOKYO — Market continued firm on sustained buying in limited trading—volume 120m. (100m.) shares.

Heiwa Real Estate gained Yen 28 to 298, other Real Estates and Pharmaceuticals scored higher gains. Eizai were up Yen 15 at 420, and Fujisawa Pharmaceutical Yen 13 at 335.

"Speculatives" also met good demand with Green Cross up Yen 10 at 324, Atsugi Nylon Yen 9 at 299, and Showa Oil Yen 14 at 204.

JOHANNESBURG—Steady at lower levels, with Gold issues lower. In Financial Minings, JCI fell 75 cents. Coppers and Platinums also drifted down on general lack of interest.

AUSTRALIA — "Heavyweight" Mines eased, leading Industrials showed some weakness.

Peko-Wallsend lost 10 cents at $6.50, Poseidon fell $1 to $13, Pancontinental finished 8 cents down at 80 cents and Southland shed 3 cents to 57 cents. Whim Creek were steady at $3.10.

In Oils, Bridge came back 2 cents at 29 cents. Mid-Eastern Oil rose 2 cents to 70 cents, but Woodside lost 3 cents at 92 cents.

Among Industrials James Stedman, sought in a takeover by two suitors, put on 2 cents to $2.55.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport ‡	Indus. *	Util. Φ	Trading volume† 000's
Oct. 22	72.01	232.64	852.37	113.78	14,560
21	71.87	233.36	854.85	114.07	14,890
20	71.83	232.54	855.65	114.04	16,340
19	71.32	234.82	868.43	114.65	13,040
18	71.78	236.68	872.44	114.78	10,420
15	71.76	237.54	874.85	115.86	13,120
14	71.76	239.54	875.56	115.96	12,870
13	71.70	242.64	888.80	116.40	13,640
12	71.69	244.21	893.55	116.09	14,340
11	71.52	241.86	891.94	115.19	7,800
1971 High	71.88 (6/4)	248.33 (7/9)	950.82 (28/4)	128.39 (19/1)	—
Low	68.52 (4/1)	169.70 (4/1)	830.57 (4/1)	109.18 (27/9)	—

* All-time high 995.15 (9/2/66)
‡ All-time high 279.88 (7/2/69)
Φ All-time high 163.32 (20/4/65)
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Oct. 18	Oct. 15	Oct. 11 1970
3.61	3.53	4.20

N.Y. SE ALL COMMON INDEX

Dec. 31, 1965=50.

1971 High	1971 Low	Fri.	Thurs.	Wed.	Tues.	Mon.
57.76 (28/4)	49.76 (4/1)	52.82	52.85	52.86	53.57	53.79

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,687	683	686	318

1970/71	Fri.	Thurs.	Wed.	Tues.	Mon.
New Highs	9	8	9	13	22
Lows	57	112	102	71	58

AMERICAN SE ALL STOCKS AVERAGE

1971 High	1971 Low	Fri.	Thurs.	Wed.	Tues.	Mon.
26.69 (28/4)	22.72 (4/1)	24.95	24.95	24.92	25.18	25.28
Volume (000's)		5,050	5,410	4,290	4,160	2,580

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Oct. 22	105.21	95.51
21	105.31	95.60
20	105.35	95.65
19	106.93	97.00
18	107.29	97.35
15	107.77	97.79
14	108.14	98.13
1971 High	115.84 (25/4)	104.77 (25/4)
1971 Low	99.73 (4/1)	91.50 (4/1)

* 425 Utilities. † 425 Industrials, 50 Utilities and 25 Rails. (1941=10.)

STOCK AND BOND YIELDS

	Oct. 20	Oct. 14	Oct. 21 1970
Industrial div. yield pc	2.99	2.88	3.56
Price-earning ratio	17.12	17.76	15.79
Long-term Govt. Bds. yield pc	5.73	5.88	6.78

MOST ACTIVE STOCKS

	Shares traded	Closing price	Change on day
Braniff Airways	346,100	15⅛	+⅞
Amer. Standard	315,300	15⅞	−5¼
Texaco	238,900	31½	+⅛
Kidde (Walter)	221,500	27⅜	−1½
Northwest Air.	194,000	32½	−⅛
Eastern Airline	167,500	18	−⅛
Sony	160,300	15⅞	−⅛
Amerada Hess	146,000	43⅞	−⅛
Pan Amer. Air.	130,600	11⅞	+⅛
Lone Star Indus.	130,200	21⅛	−⅛

TORONTO

INDUSTRIAL INDEX

Oct. 22	Oct. 21	1971 High	1971 Low
162.22	161.89	188.74 (2/1)	161.40 (14/10)

MONTREAL

INDUSTRIAL INDEX

Oct. 22	Oct. 21	1971 High	1971 Low
167.63	167.86	198.89 (20/4)	167.63 (22/10)

COMBINED INDEX

Oct. 22	Oct. 21	1971 High	1971 Low
167.46	167.30	181.05 (20/4)	167.30 (21/10)

JOHANNESBURG

	Oct. 22	Oct. 21	High	Low
Industrials	166.2	166.5	212.4 (9/4)	165.2 (22/10)
Golds	64.6	65.8	89.3 (19/4)	64.6 (22/10)

(1963=100.) Source: Rand Daily Mail.

AUSTRALIA

MELBOURNE YIELD INDICES

Av'ge yield on 50 Leading Stocks	Oct. 21	Oct. 15	Oct. 14
On Dividends	5.69	5.67	5.67
On Earnings	9.50	9.65	9.65

SYDNEY ALL ORD. INDEX

Oct. 22	Oct. 21	High 1971	Low 1971
432.88	437.65	516.51 (6/1)	428.49 (8/10)

TOKYO

NEW SE INDEX

Base=100 January 4, 1968.

Oct. 22	+ or −	Div. %	Yield %
172.44	+0.77	11.90	3.55

1971 High 208.39 (13/8) Low 148.33 (5/1)

EUROPE

OVERSEAS SHARE INFORMATION

NEW YORK

RAILROADS

INDUSTRIALS, ETC.

PUBLIC UTILITIES

TORONTO

MONTREAL

TRUSTS, BANKS & BONDS

GERMANY ♠

PARIS

MILAN

AUSTRALIA

BRUSSELS

AMSTERDAM

TOKYO

SWITZERLAND

STOCKHOLM

OSLO ◆

COPENHAGEN

VIENNA

JOHANNESBURG

NOTES: Belgian dividends are shown after withholding tax.
♠ DM50 denom. unless otherwise stated. ◆ Kr.100 denom. unless otherwise stated. ○ F 500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. *a* Florins. *b* Schillings. *c* Cents. *d* Dividend after pending rights and/or scrip issue. *e* Per share. *f* Francs. *g* Gross div. %. *h* Assumed dividend after scrip and/or rights issues. *k* After local taxes. *m* % tax free. *n* Francs: including Unilac div. *p* Net. *s* Div. and yield exclude special payment. *t* Indicated div. *y* Merger pending. * Asked. † Bid. § Traded. ‡ Seller. *x* Unofficial trading. *z* Assumed. *xr* Ex-rights. *φ* Share split.

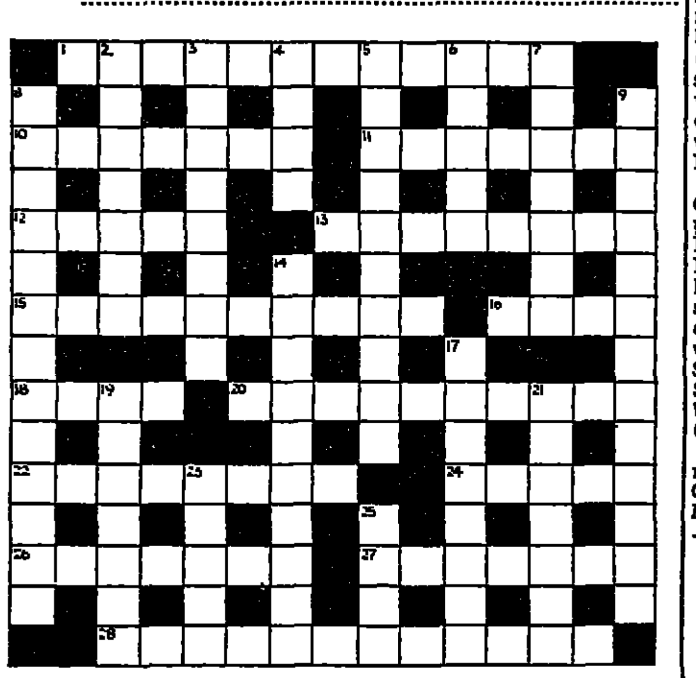
F.T. CROSSWORD PUZZLE NO. 1,700

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



ACROSS

1 Reasoning for thoughtful followers (5, 2, 5)
10 Time for Wolves to tie up (7)
11 Fairy giant gets first class backing (7)
12 Inclined to have a fast time we hear (5)
13 No exposure (8)
15 Swiftly produced version of Wife of Bath's story? (4, 2, 1, 3)
16 Joint invites complaint (4)
18 Part that could be absorbed (4)
20 Celebration following collisions during row (4, 6)
22 Open to single person to become harmonic (8)
24 Leading airman with some hesitation fastening his shoe (5)
26 Tea behind garden taken by a beginner without teeth (7)
27 Bound to include a Rolls Royce that's stopped (7)
28 Frequently seems like the rate for extra work (4, 3, 5)

DOWN

2 Sea area that could send everybody to sleep (7)
3 Laziness on trial (8)
4 No soldiers take a hint (4)
5 A tipper is likely to be depressed (2, 3, 5)
6 Something else may be well wide of the mark at Lords (5)
7 Insures a change early in the day (7)
8 Tart reminder of state of fruit farmer's business (5, 8)
9 Excursion party was deceived (5, 3, 1, 4)
14 Wild party given by famous star with other things foreign (10)
17 Very good local paper writes of badger (8)
19 Stop before an opening (7)
21 Composer taken back in one cricket club on horseback (7)
23 How to add figures to a tribal symbol? (5)
25 Horses one has to collar (4)

SOLUTION TO PUZZLE NO. 1,699

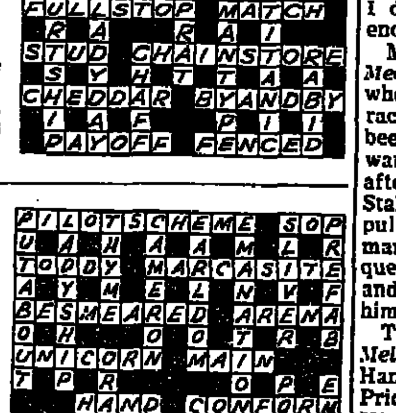
SOLUTION AND WINNERS OF PUZZLE No. 1,694

Following are the winners of last Saturday's prize puzzle:—

Mr. F. S. Davidson, Tilbridge, Great Staughton, Huntingdon, PE19 4BB.

Mrs. C. E. McLintock, 71, Ennismore Road, Crosby, Liverpool 23.

Mr. A. H. Wright, Pikescot, Pikes Hill Avenue, Lyndhurst Hants SO4 7AX.



RACING

Piggott for a double

by DARE WIGAN

THE OBSERVER GOLD CUP for two-year-olds, run over a mile on the Round Course at Doncaster, has provided several winners of classic races and it is not improbable that history will be repeated this afternoon (2.20). Certainly, there is a strong field, and a clear-cut victory will see the winner challenging *Crowned Prince* as winter favourite for next year's Derby.

Rheingold, runner-up to *Crowned Prince* for the Champagne Stakes here at the St. Leger meeting and again in the Dewhurst Stakes at Newmarket last week, is one of two runners saddled by Barry Hills. The other is *Our Mirage*, which, after winning the valuable Prix de la Salamandre at Longchamp on September 12, finished fifth behind *Hard to Beat* in the Grand Criterion Stakes.

Another trainer who is doubly represented is Bernard van Cutsem with *High Top*, and *My Pal Houston*, an American-bred colt that impressed on his only appearance in public at Ascot just over a fortnight ago, though it is hard to evaluate the strength of that form.

The running of *Boucher*, a chesnut cold by *Ribot*, will be watched with interest, for both he and *Open Season*, which chased home *Disguise* at Newbury on Thursday, are reckoned to be inferior to Vincent O'Brien's *Roberto*, who disappointed the stable when finishing only fourth in the Grand Criterion. *Rascolnik* represents Peter Walwyn, who won this race last year with Linden Tree, but I doubt *Rascolnik's* being good enough.

My idea of the winner is *Meadow Mint*, a colt by *Herbager*, who has won four out of five races, his only failure having been when the saddle slipped forward on to his withers soon after the start of the Gimcrack Stakes at York and he had to be pulled up. Bred as he is, out of a mare by *Ambiorix*, there is no question about his staying a mile, and Piggott has elected to ride him in preference to others.

The champion jockey partners *Melody Rock* in the Manchester Handicap (3.0), and though Capt. Price's colt was no match for *High Line* in the Jockey Club Cup at Newmarket last week, he was not subjected to a gruelling race once Piggott had satisfied himself there was no chance of cutting down the winner. I think that he will prove capable of conceding 5 lb to *Sandal* and a stone to *Gay Perch*.

Red Knave, though carrying a 7lb penalty for a hard-earned success at Lingfield earlier in the month, will go close in the Allendale Handicap (4.30) without, perhaps, containing the Epsom-trained *Noirmont Point*.

Dashing, trained under permit by Mr. "Jackie" Astor at his home in Bedfordshire, is a suggestion for the Torksey Hurdle (3.30) and *Tussaud* looks best in the autumn handicap hurdle (4.0).

At Newbury, *Frascati* can give a boost to the St. Leger form by taking the St. Simon Stakes (2.30). Mr. Joel's colt, which has made several good efforts this season, showed up prominently until well into the final furlong at Doncaster and deserves a change of luck.

Half an hour before the running of the St. Simon Stakes, three of the best jumpers in training will line up for the Hermitage Chase (2.0). They are *Into View*, *Spanish Steps* and *Border Mask* and, granted equivalent fitness, the winner may be *Into View*, whose speed is likely to be too much for the others over 2½ miles.

Merry Month, a close second to *Clean Bowled* at the St. Leger meeting and which subsequently ran out a decisive winner at York, can carry a 7lb penalty to success in the Wantage Nursery Handicap (3.0). George Todd can provide an appropriate winner of the Manton Stakes (4.0) with *Welsh Windsor*, who would have gone closer than he did to winning on his most recent appearance, at Ascot last month, had his young rider held him up instead of charging for the winning post a long way from home. *Tripper*, with his low weight, will require some beating in the Letcombe Handicap (4.30).

SELECTIONS

Doncaster
1.45—Proud Stone
2.20—Meadow Mint *
3.00—Melody Rock ***
3.30—Dashing
4.00—Tussaud
4.30—Noirmont Point

Newbury
1.30—Avignon
2.00—Into View
2.30—Frascati **
3.00—Merry Monk
3.30—Milk Diet
4.00—Welsh Windsor
4.30—Tripper

DUKE TO HEAD WORK STUDY INSTITUTE

The Duke of Edinburgh is to become president of the Institute of Work Study Practitioners. This was announced at a dinner held in London last night to celebrate the thirtieth anniversary of professional work study and productivity services activities in Britain. He will succeed Lord Beeching, who retires next year

Mr. Philip J. Butcher, chairman of the institute and senior consultant (productivity services) of Imperial Chemical Industries, said it was significant that at this time of economic challenge that Prince Philip should honour the institute, which was devoted to the improvement of Britain's productivity performance.

...OCK EXCHANGE REPORT

...e improvement in equity leaders on 'cheap' buying

...x up 2.7 at 407.4 with the help of Hawker Siddeley

...DEALING DATES

...ra-	Last	Account
...s	Dealings	Day.
...4	Oct. 15	Oct. 26
...8	Oct. 29	Nov. 9
...1	Nov. 12	Nov. 23

...dealings may take place ... business days earlier.

...ts were quietly dull ...part yesterday with ...g lower on lack of ...ards the close, how... buying and bear ... a slightly better ...to equity leaders ...no worse than nar... Price movements ...tocks were usually ... 2p, but Hawker ...t 35p to 260p on ...tatement and profits ... pushed the closing ... for a rise on the ... Excluding Hawker's ...x would have been ... after its three-day ...nts on the overall ...sistent small selling. ...ries All-Share index ...cent. to 177.77.

... part of the drop ...dle of the week ...king down by ...had grown tired of ...uyers to make a ... Buyers in turn ...aiting for stronger ...up in the economy, ...e were put on ... by uncertainties ...hursday's Common ...and Wall Street's ...ess. Hopes were ... that investors will ... about Thursday's ... vote before the ...

...esterday amounted ...ing the week's total, ... highest for three ...ing last Tuesday's ...p in speculative ...ght about by Allied ...pproach to Trust ...

...tly dull

...s spent a quiet day. ...tocks fell by up to ...er dealings, but sell... ...one and prices later ...to close a shade off ...Longs drifted lower on lack of buying interest to end with falls ranging up to ¼, but mediums held steady. A reasonable business was seen in the new GLC 7¾ per cent., 1981, loan, which opened at 10 and closed at 9¼¾ for the £10 paid stock. There was a good turnover in Commonwealth stocks, while further professional interest was shown in Southern Rhodesians.

Issued in consideration of the take-over of Westminster Trust, Land Securities 3 per cent. Convertible Loan, 1985, started life at £114 and closed at £113½.

An early fall to 19 per cent. in the investment dollar premium was followed by a modest demand which restored the rate to 19¾ per cent., a ¼-point loss on the day.

Among New Issues, Carron were firm again at 170p, up 5p, while Unitech improved 2p at 80p.

Bryanston Finance up

Home Banks fell further to close near the day's lowest with fresh falls ranging between 4p and 12p. However, "cheap" buyers appeared at the lower levels producing a better two-way business. Midland were finally 12p down at 482p, while Barclays, up to 546p at first, closed 10p lower on the day at 532p, after 530p. Elsewhere, Bryanston Finance featured with a jump of 18p to 80p on a revival of speculative buying in a thin market.

Insurances saw a reasonable two-way trade, but often eased. Equity and Law, 285p, and Commercial Union, 462p, were both around 6p down, but Eagle Star, after easing further to 436p, closed unaltered on the day at 440p.

Breweries were inclined harder. Scottish and Newcastle improved 1p to 88p and Whitbread "A" ½p to 81p. Distillers rose 2½p to 145½p.

There was little in the way of features in the Building sector, but a few firm spots appeared in second-line issues. Heywood Williams were good at 73½p, up 7½p, while BPB Industries touched a new peak for the year of 194p, up 6p. Daleholme were wanted at 36p, a rise of 5p. Magnet Joinery advanced 10p to 390p in a limited market, while Limmer improved 1p to 41½p on the bid situation. Vic Hallam, on the other hand, shed 2½p to 102½p after the interim results. London Brick, at 99p, gave up 1½p of the previous day's gain of 2½p on the good interim figures. Bryant Holdings met with country selling and reacted to 52p before ending with a net loss of 3½p at 54½p; the results were announced after the official close. Contracting issues continued to slip lower on lack of support. Bovis shed 3p to 209p, while G. Wimpey, after opening higher at 217p, ended 2p down on balance at 213p.

ICI were more resistant at 300p, up 2p, after 301p. Laporte met with further small speculative buying and added 2p at 96p. Willows Francis, however, lost 5p at 63p.

Ever Ready erratic

The interim statement from Ever Ready came as a disappointment and the shares dipped to 200p before rallying on bear closing to 209p for a net fall of 8p. Electrical leaders generally eased a shade during a small business, with Plessey losing 2p more to 119p.

Leading Stores were a shade easier again. Debenhams gave up 4p at 230p, Macowards, however, responded to the encouraging interim results and gained 6p to 62p. Among Shoes, G. Ward ended ½p up at 47½p, after 49½p, on further consideration of the results.

Leading Engineerings were not too certain at the start, but picked up later with the exception of Tube Investments, which ended a further 5p down at 415p, after 412p. Metal Box recouped an early 3p loss to end 2p higher on balance at 389p, and Guest Keen were finally the same amount harder at 370p. Elsewhere, T. W. Ward dropped to 360p before a close of 364p, a net 9p fall, while Martonair and Walker Crosweller both lost 5p at the common price of 180p. On the other hand, W. H. Paul made fresh headway to 49p, up 4p. Newman Granger failed to improve further despite the excellent results and proposed scrip issue. In Machine Tools, G. A. Robinson were marked up 7p to 40p. Dealings in Butterley were suspended with the price at 96½p.

Ladbroke feature

Following the previous day's bout of profit-taking, Ladbroke featured with a rise of 21p at 356p on the chairman's encouraging statement. William Hill improved 8½p to 118p, while Zetters Pools were firm at 31p, up 4½p. Scotia Investments gained 4p more to 124p; the interim results are due shortly. Ray Turner were notable for a further rise of 7p to 121p, while Heenan Beddow improved 6p to 115p. After Thursday's fall of 17p, a good business developed in Unilever which ended 4p better at 290p. Following the results and proposed scrip issue Paterson Zochonis gained 55p to 425p in a restricted market, with the "A" 37p higher at 407p. Profit-taking left Marshall's Universal 6p lower at 240p, while Mettoy fell 4p to 22p on the interim statement. Thomas Tilling responded to the increased interim dividend and profits with a rise of 4p to 130p, but disappointment with the results prompted a fall of 2½p to 70½p in Judge International. Tremletts gained 6p more to 150p, while Robert Stigwood rallied 5p to 95p.

Trust Houses Forte ended the week on a quiet note compared with the hectic trading seen last Tuesday following news of the approach by Allied Breweries; the price moved narrowly and closed at 164p for a net gain of 2p and a rise of 37p on the week. Allied Breweries were also very quiet and ½p lower at 113½p, or 8p down on the week. Grand Metropolitan Hotels eased 1p more to 176p, but gains of 2p and 9p respectively were seen in Palace and Derby, 20p, and Myddleton, 126p.

Foods were narrowly mixed. Spillers eased ½p more to 54½p, or 1½p below the level ruling prior to Wednesday's interim profits recovery. Rowntree Mackintosh reacted 10p to 690p on profit-taking, but Hazlewoods (Proprietary) gained 5p to 55p.

Hawker Siddeley strong

Hawker Siddeley made an impressive response to the forecast of sharply increased profits and traded actively up to 265p before a close of 260p, a rise of 35p on the day. In the Motor sections, Armstrong Equipment fell rapidly to 89p on a selling order, but recovered late to 95p to show a net 3p loss, while Jonas Woodhead lost 6p at 183p. Cornercroft, however, came into demand and rose 7p to 43p. Fodens were dull in Commercial Vehicles, down 8p at 220p.

After a dull morning session, buyers began operating again in Properties and prices picked up some of the recent lost ground. Town and Commercial figured prominently at 131p, up 6p, after 122p, City Offices regained 7p at 108p and Star 4p at 195p. Amalgamated Investment were good from the start ahead of the chairman's appearance on the BBC 2 Money Programme and, after touching 375p, closed 14p higher at 368p; the result of the merger negotiations with Grand Junction, 1½p harder at 165½p, is expected soon. In a thin market, U.K. Property jumped 20p to 230p, after 240p, but Sterling Estates lost 6p at 212p. Great Portland were similarly lower at 261p, while Property Security fell 8p to 260p.

Helped by comment on the interim results, Thomson were a more settled market in Newspapers at 77p, a 4½p recovery on the overnight price. East Midland Allied Press "A" rose 4p to 36p.

Oils fall further

A recovery movement in Oils was short-lived and in similar conditions to those prevailing on Thursday prices ended at the day's lowest. British Petroleum came back 7p to 598p, but the new shares closed unaltered at 98p premium, after 104p premium. Shell sagged further to 340p, down 5p on balance and only 13p above the year's low point. Burmah lost 6p at 404p. News of the oil show in Anglo-Ecuadorian's Guayusa number one well failed to inspire London interest, but it later encouraged revived transatlantic buying, which lifted the price 6p to 102p.

Activity remained at a low ebb in Shippings and prices were again hardly changed. Felixstowe Dock lost 4p to 224p.

Trusts showed a slightly easier tendency, but Tokengate Investment improved 5p to 248p and Giltspur 3p to 163p. Triplevest Capital, 272p, and City and Commercial Capital, 163p, both closed about 8p down.

J. H. Vavasseur rise

J. H. Vavasseur were a firm market in Financials, rising 8p to 148p following news of the sale of their large shareholding in Siemssen Hunter; the latter advanced 10p to 122p. Austim gained 2½p to 56p, while Hawtin, on the interim report, were 1p better at 42½p. Anglo-Continental, however, at 63½p, gave up 3½p of the recent good rise.

Tobaccos held steady after a modest day's turnover. "Imps" hardened ½p to 78½p, but "Bats" finished unaltered at 315p.

In Textiles, a lively business was seen in Courtaulds, 2p better at 119p. Other firm spots included Leeds Dyers, 3p higher at 38p, and J. Crowther, 2p up at 63p.

Imperial Continental Gas came on offer and dipped to 438p before ending a little above the worst at 440p, down 21p.

Teas were steady to firm in a small business. Buying in a thin market pushed Amalgamated 10p higher to 120p, and Consolidated Tea and Lands, 320p, and Pelmadulla, 124p, up about 5p apiece. Nuwara Eliya, however, on the loss and nil dividend, lost 2p to 26p.

"Johnnies" lower

Mining shares ended on a steadier note as short sellers closed their positions in front of the week-end. Even so, there were still a few substantial falls, especially in Financials where weakness in the Cape was reflected in Anglo-Vaal which gave up 45p at 530p. "Johnnies" lost a further 50p at 925p following the annual report.

Selection Trust were 5p off at 520p bringing the week's loss to 75p, while CAST were unaltered at 152p for a 25p decline over the period. Charter added 4p at 184p, while RTZ recovered 6p at 195p.

Falls predominated in Golds although losses were limited to 10p. East Dagga were unchanged at 25p: a shaft accident has halted production at the mine for at least a week.

In Australians, Poseidon recovered 20p to 620p on bear covering, but this still represented a loss of 110p on the week. Following the annual report, MIM Holdings were steady at 129p. New Broken Hill, however, continued a poor market giving up a further 15p to a year's low of 330p. Whim Creek ended 3p lower at 155p after 165p.

Canadian support was again responsible for a 40p rise in Northgate to 310p, but Tara Exploration eased back 5p to 610p.

FINANCIAL TIMES STOCK INDICES

—	Oct. 22	Oct. 21	Oct. 20	Oct. 19	Oct. 18	Oct. 15	A Year ago
Government Sec.	79.05	79.16	79.27	79.12	79.27	79.52	70.98
Fixed Interest	78.98	79.07	79.11	78.98	78.81	79.37	73.43
Industrial Ordinary*	407.4	404.7	412.4	415.2	415.7	414.6	368.4
Gold Mines	44.5	44.5	44.8	44.6	44.8	45.1	53.6
Ord. Div. Yield pc	3.88	3.86	3.79	3.76	3.76	3.77	4.58
Earnings Yield pc (a)	6.02	5.93	5.83	5.78	5.79	5.80	6.35
P.E Ratio (a)	16.61	16.85	17.14	17.29	17.26	17.24	15.74
Dealings Marked	12.209	11.969	13.597	14.208	13.447	12.77‡	9.111

*10 a.m. 405.9 11 a.m. 406.9 Noon 404.9 1 p.m. 404.7 2 p.m. 406.4 3 p.m. 406.4

(a) Based on 40% corp. tax from March 30, 1971. Latest Index 01-248 4025

HIGHS AND LOWS

—	1971 High	1971 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	79.64 (13/10/71)	68.93 (4/1/71)	127.4 (9/1/35)	64.21 (11/6/69)
Fixed Int.	79.37 (15/10/71)	69.63 (4/1/71)	150.0 (28/11/47)	67.12 (11/6/69)
Ind. Ord.	430.8 (7/9/71)	305.3 (3/3/71)	521.9 (19/9/68)	49.4 (28/6/40)
Gold Mines	61.5 (19/5/71)	44.5 (21/10/71)	100.0 (12/9/55)	44.0 (13/1/70)

S.E. ACTIVITY

—	Oct. 22	Oct. 21
Daily—		
Gilt-Edged	189.7	195.1
Industrials	403.3	399.6
Speculative	152.6	158.7
Totals	277.9	272.4
...-day ave—		
Gilt-Edged	207.7	209.3
Industrials	443.4	445.7
Speculative	209.7	185.8
Totals	297.9	300.4

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942. ‡ Corrected figure.

...RISED UNIT TRUSTS (p★★★)

[illegible]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

Albany Management Co. Ltd. Utility Hs. PO Box 463, Hamilton, Bermuda. Albany Fund Ltd. £5.00 £5.59 ...... 1.0?

American Express Inv. Mngmt. Co. 154 Edward St, Brisbane, U.K. ... Am Ep's Int. Fd. $8.55 9.11 ...... —

Anchusa Co. Ltd. P.O. Box 195, Hamilton, Bermuda. Jap. Gwth. Fnd. US$9.60 10.18 ...... — ; Do. ... Stg. Trt. 87.0 91.0 ...... —

Australian Selection Fund N.V. Lond Agent. Southern Cross Mgmnt., Ltd 65, London Wall E.C.2. U.S. $10 Shares... US$6.20 ...... Next subscription day Oct. 28

Banque de l'Union Parisienne 6-8, Bld. Haussmann, Paris 9e. Tokyo Valor...... $11.15 ...... 2.49

Eurosyndicat Group Eurunion Lux F... 1,725 1,792 ...... 3.51; Finance Union Lux F. 463 482 ...... 3.52. For Sterling Dealing Prices contact London Agents N. M. Rothschild & Sons, Ltd., 626 4356, Hill Samuel & Co. Ltd. 628 8011

Fidelity Managmt. & Research Co. Boston, Massachusetts. Fidelity Trend ... $25.58 25.55 +0.03 2.38; Do. Capital Fd... $11.75 12.84 +0.04 2.72

Fidelity Mangmt. & Research (Bermuda) Limited Fidelity Int. Fnd. $15.52 −0.45 —; Fidelity P'cific Fd. $10.92 ...... —. For additional information contact Julius Baer International Ltd. 38, Mincing Lane, E.C.3. 01-626 5182

First Investor & Savers Vln. Agts. 15-16, America Square, E.C.3. 01-488 4611

Jardine Fleming & Co. Ltd. 22, Pedder Street, Hong Kong. JardineEast'nFd† HK$140.92 ...... 2.85. NAV Sept. 30. Next sub. day Oct. 29. Jardine Japan F. HK$138.72 ...... 1.44. NAV Sept. 30. Equiv. $U.S.23.83 ExSPm. Next sub. day Oct. 29.

Kleinwort Benson Ldn. Agts. 20, Fenchurch Street, E.C.3. 01-626 1531. *Eurinvest Lux. F. 897 −9 2.83; Guernsey Inc. 45.4 48.7 ...... 2.73; Do. Accum. 48.0 51.5 ...... —; *Interalia Lira 6,958 7,604 −32 4.85; *Intertec Sw. F. 49.16 51.35 ...... 5.83; *KB Internat'l Fd. $1.25 ...... 1.33; *KB Japan Fund. $10.92 ...... —; *Signet Bermuda. $4.07 ...... 1.92; *Unifonds (G) Dm 23.80 25.00 −0.10 7.53. * Prices not allowing for inv. $ premium. For London and Dominion Trust (U.K.) ...

Save & Prosper Distributors Ltd. P.O. Box 1434, Hamilton, Bermuda. Dollar Fund £4.96 5.42 ...... —; Hampstead £6.15 6.72 ...... —; ‡Monitor £4.43 4.84 ...... —; S. & P.J.J.F. US$12.46 13.62 ...... —; Sterling Fund £4.50 4.92 ...... —. Prices on Oct. 18. Next dealing Oct. 25. ‡ Prices on Oct. 20. Next dealing Oct. 28.

J. Henry Schroder Wagg & Co. Ltd. 120, Cheapside E.C.2. 01-588 4000. Amer. Inv. Oct. 20 $15.12 −0.08 2.29; Chpside F. Oct. 20 $11.72 −0.16 —; Trafalgar Sept30 $114.07 ...... 0.44

Security & Prosperity FD Dst. S.A. P.O. Box 515 Zurich 8027 Switzerland. Sepro $9.61 10.50 ...... —. Prices on Oct 20. Next dealing Oct. 27.

Shamrock Unit Fund Ireland Ltd. 69-71, St. Stephen's Green Dublin 757971. Shamrock Ireland 55.2 58.2 −0.4 2.92

[illegible]

INSURANCE, PROPERTY, BONDS

[illegible]

NOTES

[illegible]

ANNUAL STATEMENTS—Continued

SIME DARBY HOLDINGS

(Incorporated in England)

BOARD CONFIDENT OF CONTINUING GROWTH

The 14th annual general meeting of Sime Darby Holdings Limited will be held on 12th November in Singapore.

The following is the circulated review of the Chairman and Managing Director, MR. D. W. PINDER:—

The Group profit for the year before taxation was £2,645,063 as compared with £2,075,640 for last year. The provision for income and development taxes is £1,233,448 as compared with £1,031,915 leaving £1,411,615 available for appropriation as against £1,043,725 last year.

In December, 1970 a capitalisation issue of one for five was made and an interim dividend of 8% less income tax on the then issued capital of £4,500,000, was paid to members on 23rd April, 1971. A second interim of 12% in lieu of final dividend was paid on 30th September, 1971 on capital as further increased to £6,000,000 by the issue of 4,000,000 shares as consideration for the acquisition of investments, together with an additional capitalisation issue of one new share for each five held at 10th September, 1971.

Appropriations

Allowing for the above-mentioned increases of issued capital the distribution to Members in respect of the year ended 30th June, 1971 shows an increase of 16.9% as compared with last year. Dividends paid this year are again slightly more than twice covered and Group retentions amounting to £764,000 take the form of transfers to General Reserve of £552,000 (including the Group proportion of an appropriation by Tractors Malaysia) and an accretion to profits carried forward of £212,000. After transferring £200,000 to General Reserve from profits brought forward from 1970 to meet part of the cost of the capitalisation issue in December, 1970 and minor adjustments arising on changes in the structure of the Group, the balance standing to the credit of Profit and Loss Account at 30th June, 1971, was £1,561,649 as compared with £1,549,755 last year.

The principal contributors to the increased profit for the year were tractor operations including a modest initial return from Indonesia and Plantation management. Further improvement in the returns from these activities is anticipated during the current financial year. All other facets of the Group's operations made satisfactory contributions and with the benefit of reorganisation schemes now under way should improve their future profitability.

In addition to the information given in the accounts and schedules there are a number of points which I would like to cover.

Members will be aware of the recommendations made by the Institute of Chartered Accountants in relation to investment holdings representing 20% or more of another company's capital. We should comply with this recommendation as from 1972 but your Board have decided to give certain of the relevant information in respect of the financial year to 30th June, 1971. The information given is not strictly in the form recommended by the Institute but in our view the form adopted gives a more concise view of attributable profits and assets without unduly complicating the Accounts themselves.

Capital expenditure this year mainly relates to the further expansion of our tractor operations and facilities and the bulk of this expenditure has been covered by the realisation of assets surplus to requirements thus avoiding much of the drain on our normal cash flow. This is reflected in a substantial increase of net current assets and, while stocks are again rather higher, this is a necessary corollary of expanding business and being prepared for the possibility of disruption of supplies from overseas factories as a consequence of industrial action at the factories themselves or at the ports through which the supplies are shipped. In the main these increased stockholdings are financed through extended use of bills of exchange facilities.

New Acquisition

Subsequent to the end of the financial year Members were advised of the offer we had made to acquire the whole of the issued share capital of Seafield Amalgamated Rubber Company Limited. I am pleased to record that the offer has now been declared unconditional and this acquisition will form a useful addition to our already substantial plantation and agricultural interests.

In the course of the offer for Seafield your Board forecast profits of not less than £3,000,000 for the year to 30th June, 1972, and a dividend of at least 22% on the increased capital. Our results for the first three months of the current financial year fully support these forecasts and your Board are confident of continuing growth in terms of earnings and dividends per share.

Our Associated Company, R. G. Shaw & Co. Ltd., have reported further profit and dividend growth for the year to 30th June, 1971. Publication of their Accounts in this and future years will be later than previously due to compliance with the recommendations of the Institute of Chartered Accountants which effectively requires completion of our Group Accounts in order that the required information can be incorporated in the Accounts of R. G. Shaw.

Once again, I would like to extend my thanks, also those of my co-Directors, to our staff and also those of our Associates for the loyal service rendered and the contribution which they have made to the excellent results which are now before you.

APPOINTMENTS

Sir John Grandy joins Brixton Estate

Marshal of the Royal Air Force Sir John Grandy, who retired as Chief of the Air Staff earlier this year, has been appointed to the Board of BRIXTON ESTATE.

★

Mr. John Ford has been appointed a non-executive director of ALLIED POLYMER GROUP.

Mr. R. C. Tarling has resigned from the Board because of his forthcoming appointment as chairman of Crittall-Hope Engineering. Both Mr. Ford and Mr. Tarling are directors of Slater Walker Securities.

★

Mr. Robert Gardner has been appointed managing director of MTE SYSTEMS. He joins MTE from Asquith Electric (Colne), where he was managing director.

★

Mr. J. S. Swan has been appointed a director of PRINGLE OF SCOTLAND.

★

Mr. C. Robert Jennings, a director of Formica (De La Rue) has been elected president of the INTERNATIONAL COMMITTEE FOR THE DECORATIVE LAMINATES INDUSTRY.

★

Mr. G. R. Simpson, of the Scottish Stock Exchange, has been elected president of the COUNCIL OF ASSOCIATED STOCK EXCHANGES in succession to Mr. Eric Harding.

Mr. C. T. Ockleston, of the Northern Stock Exchange, formerly a committee member, has been elected a vice president. Mr. Richard L. Harris, of the Midlands and Western Stock Exchange, has also been elected a vice president in succession to Mr. F. Jephcott.

Mr. P. T. Hollows, of the Northern Stock Exchange, has been elected to the committee following the retirement of Mr. P. S. Peters.

Mr. William A. Stupart, secretary of the Scottish Stock Exchange, has been appointed secretary of the Association for 1971-72.

★

Dr. K. J. Albutt has been appointed to the Board of ALTRINCHAM LABORATORIES. He joined the company as general manager in November, 1969.

★

ALLTRANSPORT PACKING AND REMOVALS an affiliate of the Shipping Industrial Holdings Group, has appointed Mr. A. Greenwood as works director.

★

Mr. W. G. Hadman has been appointed to the Board of YEOMANS AND PARTNERS, a member of the Bovis Group. He will have special responsibilities for the scaffolding and industrial painting interests.

★

Mr. Michael Caine, a director of Booker McConnell, has been elected chairman of the council of the INSTITUTE OF RACE RELATIONS.

★

Mr. Derek W. Marlow, a vice president of Bankers Trust Company, of the U.S., has been elected to the Board of the BANQUE DU BENELUX, Brussels, in which Bankers Trust has a one-third interest. He has also been appointed Bankers Trust's representative in Brussels to cover Belgium, Holland and Luxembourg.

★

Mr. Gerald H. Elliot and Mr. Michael D. Pentland have been appointed to the Board of the SCOTTISH PROVIDENT INSTITUTION.

Mr. Elliott is a director of Christian Salvesen (Managers) and Mr. Pentland is manager of the British Investment Trust.

★

Automotive Products Associated has formed a new company, AP TRANSMISSION DEVELOPMENTS to carry out long range research and development on the company's automatic transmissions. It will be headed by Mr. Charles B. Grandfield.

Mr. John Walford, until recently director and general manager of Triumph Engineering at Meriden, will become general manager of AP's automatic gearbox division on Noverber 8.

★

The following appointments will be made at the BRITANNIC ASSURANCE COMPANY from January 1.

Mr. N. F. Carroll, at present assistant general manager, will become a director of the company. Mr. F. P. Weavers, deputy investment manager, becomes investment manager. These changes will follow the retirement at the end of this year of Mr. R. S. Egerton, director and investment manager, who is leaving for health reasons.

★

Mr. W. B. Royce has resigned as a director of the NORVIC SHOE COMPANY.

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Mr. Anthony Miles, who became editor of the Daily Mirror in March, and Mr. Ted Blackmore, have joined the Board of IPC NEWSPAPER DIVISION.

Mr. Miles joined the Daily Mirror as a feature writer in 1954. He was appointed assistant editor in January, 1967, and became an associate editor in April, 1968.

Mr. Blackmore has been the company's director of production since 1969.

Treasury bill rate down

THE TREASURY bill rate continued its downward trend at yesterday's tender, falling 0.0380 per cent. to 4.5723 per cent. This brings the loss since Bank Rate was cut on September 2 to 1.2329 per cent. Over the six tenders since the Discount market abandoned its practice of submitting a syndicated bid, the rate has fallen by 0.2910 per cent.

The minimum accepted tender yesterday was £98.85½, against £98.85 the previous week, and bids at that level were met as to 88 per cent.

The amount of bills on offer was up by £40m. to £120m. and applications rose £21m. to £348m. All bills offered were allotted.

Next week the amount of bills offered is cut £40m. to £80m., and is set against maturities of £120m.

Decision on Cunarders awaited

By James McDonald

THE TWO CUNARD cruise-ships, Carmania and Franconia—as forecast earlier this year—are being laid-up this month at Southampton after the end of their summer and autumn programmes while a decision is made about their future by the new Cunard management, now controlled by Trafalgar House Investments.

No final decision has yet been made about the two ships. Mr. Victor Matthews, chairman and chief executive of Cunard, said last night: "I have put them aside for the time being. I have bigger problems to think about. I will consider the possibilities of modernising them, selling them off, or re-routing them."

The previous Cunard management decided to halt further operations of the two 21,000-ton liners after this autumn following the disclosure that the ships had contributed well over £500,000 to the Cunard group's loss of about £2m. in 1970.

This leaves Cunard with only one passenger liner, the QE2, in service until the new £10m. Cunard Adventurer cruise-ship is delivered from her Dutch shipbuilder at the end of this month.

BIM concern on industrial relations

THE BRITISH INSTITUTE of Management has criticised the Code of Industrial Relations practice for not taking sufficient account of the fact that industrial relations must be conducted within a framework of business effectiveness. To obtain "good industrial relations" management had to achieve a long-term balance between the conflicting requirements of customers, shareholders, employees, banks, Government fiscal policy, and the public interest.

Unions are concerned chiefly with the immediate or short-term interests of their members, the BIM has told Mr. Robert Carr, Secretary for Employment.

The BIM's advisory panel, which studied the code, said much neded to be done before it would be acceptable to everyone. The panel made a three-point suggestion

ATLANTIC FREIGHT RATES UP

The shipping freight conferences have announced a currency adjustment of 5½ per cent. on the total bill-of-lading freight and charges, following depreciation in the value of the U.S. dollar.

The North Atlantic Continental Freight Conference said the increase would be retroactive to October 12. The North Atlantic French Freight Conference and the North Atlantic Baltic Freight Conference said their increase would be effective from January 9, 1972.

Reuter

Nader to advise new U.K. group

BY DAVID WALKER

MR. RALPH NADER is to act as adviser to a British consumer protection group whose formation is announced this morning and which will base its operations partly on his methods in the U.S.

The Public Interest Research Centre plans to issue a series of reports on top companies in Britain. These will examine company activities in the light of environmental damage, the extent to which they innovate rather than inhibit development, their record as employers, the degree to which they avoid restrictive practices, and the degree to which they observe standards of safety, durability and utility in their goods and services.

The centre will also buy single shares in selected companies to ensure access to annual meetings.

More effective

The centre will also examine Government agencies which regulate industry and commerce, such as the Alkali Inspectorate. The aim is to make them more effective by adding to the amount of information on them given to the general public.

The chairman of the group is Dr. Michael Young, founder and now president of the Consumers' Association. One of his co-founders is Mr. Charles Medawar, for five years a research officer with the Consumers' Association, who worked with Mr. Nader in the U.S. under an exchange scheme earlier this year.

Also involved is Mr. William Osborn, a lawyer in the Ralph Nader Organisation, who has been in Britain for the past three months under the same exchange scheme.

He is to stay in Britain for another month helping to prepare the centre's initial programme, and doing preliminary research "to pinpoint the first targets," Mr. Medawar said last night.

Mr. Nader himself will not be involved in the day-to-day running of the group, but co-operation between it and his U.S. organisation, particularly in studies of multi-national companies operating in Britain, is likely. There could also be some exchange of staff.

The purchase of single shares in companies is among the techniques which Mr. Nader has used successfully in the U.S.

Mr. Medawar said: "We certainly do not want to be disruptive, but we want to be heard—we want to be able to stress the importance of corporate responsibility. Annual general meetings are a platform for doing this."

In its first year, the centre, with a staff of four or five supplemented by outside experts and student helpers, hopes to complete about six research studies covering as representative a range of industry as possible.

A service business, a mass media group, a British corporation, a British subsidiary of an overseas company, and a nationalised industry are likely to be selected as targets.

Yorks. miners ready for showdown

YORKSHIRE'S 70,000 miners are firmly behind their union's plans for a showdown with the National Coal Board over their big pay claim.

Mr. Sidney Schofield, Yorkshire area secretary of the National Union of Mineworkers, said this yesterday when delegates met at Barnsley for a special council to discuss recommendations for an overtime ban and strike ballot.

The union is seeking pay increases of up to 47 per cent., and the Board has offered 7.1 per cent. Mr. Schofield said: "The men are completely united. I am confident we shall get the necessary majority to strike." The pithead ballot begins on November 22, three weeks after the start of the nationwide overtime ban.

Work-to-rule threat at R-R engines plant

MANUAL WORKERS at Rolls-Royce, Bristol, engines division yesterday gave the company seven days to improve a pay offer or face a total overtime ban and work-to-rule.

More than 5,000 workers at a meeting outside the works at Patchway, near Bristol, unanimously rejected an offer which stewards claimed amounted to £1 a week. The workers have asked for a £5.60 cost-of-living award for skilled men.

Shop stewards called the offer insulting, and recommended an all-out strike. But after two close votes, they accepted defeat and called instead for an overtime ban, which was accepted after another close count.

Mr. Ray Greenaway, the shop stewards' chairman, said the company would also have to withdraw work study clauses before the stewards could accept any revised offer. "They will have to go a long way in improving their offer before we are happy," he said.

Concorde halt

● Work on Concorde was interrupted by a two-hour stoppage at the British Aircraft Corporation factory at Weybridge, Surrey, yesterday.

About 1,300 shop floor workers walked out in protest at what they said was management's refusal to warn the unions about any redundancies.

COMMODITIES/Review of the week

Copper prices lose ground

BY OUR COMMODITIES STAFF

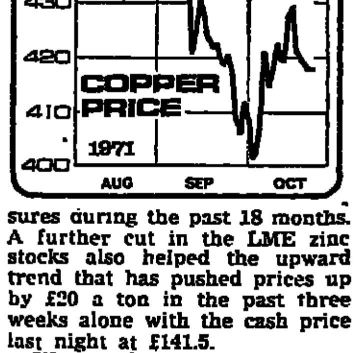
COPPER VALUES fell back on the London Metal Exchange this week, despite the first significant decline in stocks for some time and suggestions of output cutbacks by producers. Last night cash wirebars closed at £417.75 a metric ton, £10 down on a week ago.

The suggestion that producers should cut back output, by reducing their operating rate from 93 to 86 per cent. of total capacity, came from Sir Ronald Prain, chairman of RST International Metals.

Sir Ronald forecast that mine capacity would rise to 7.3m. tons by 1976, while demand for primary copper was likely to increase to only 6.6m. tons in the same period.

Yesterday Nippon Mining said it was reducing its copper concentrate imports by 20 per cent. because air pollution controls had forced it to curtail smelting. In the U.S., Kennecott announced a reduction in its Utah division mining output because of excessive stocks held by its refinery, which will continue to work normally.

Zinc values on the LME climbed to new highs for the year, following forecasts of a shortage developing because of the number of production closures during the past 18 months. A further cut in the LME zinc stocks also helped the upward trend that has pushed prices up by £20 a ton in the past three weeks alone with the cash price last night at £141.5.



Silver values dipped to new 4½-year lows this week, with the bullion spot quotation on Thursday at 51.9p a troy ounce, following a fresh wave of selling in New York. However, yesterday there was a small recovery to 52.4p.

Sugar values moved up, with the London daily price £1 higher at £44.50 a ton, despite a decision by the International Sugar Organisation to redistribute 200,000 tons of the export quota shortfalls to countries with supplies to spare. In fact under the terms of the Agreement the whole of the 600,000 tons of quota shortfalls declared should have been released when the ISA prevailing price went over 4 U.S. cents a lb., so a special decision had to be taken to limit the size of the redistribution.

The failure of the Ghana Cocoa Marketing Board to announce the size of its purchases from growers during the first week of the main crop season, that opened on October 8, caused some bafflement in the cocoa market. The Board denied reports that the weekly purchase figures were going to be abandoned, and said a new system of collecting the cocoa was causing the delay in issuing reliable figures.

A forecast of a crop between 400,000-450,000 tons in Ghana, compared with last season's outturn of 355,000 tons, was made by a London merchant, Paterson Simons and Ewart. Even allowing for a setback in Nigeria they forecast a record world cocoa crop in 1971-72 of 1.6m. tons and an even bigger surplus of supplies than the past two seasons.

WEEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1971 High	1971 Low		Latest price per ton unless stated	Ch'ge on week	Year ago	1971 High	1971 Low
Metals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Spices	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MARKET REPORTS

BASE METALS

COPPER—Little changed on balance on the London Metal Exchange. Prices were a shade easier following forecasts of a rise in warehouse stocks over the week. Turnover 6,400 metric tons.

Henry Gardner and Co. reported that in the morning, cash wirebars traded at £417.5, 17, late Oct. £417, 18.5, early Nov. £418, three months £423 to 24.5, 24. Kerb: cash £417, three months £424. Cathodes: three months £413.5, 13. Kerb: three months £413. Afternoon: Wirebars: cash £418, mid-Nov. £420, three months £423 to 24.5. Kerb: mid-Jan. £425, three months £424.5, 25, 24.5. Cathodes: cash £407, 07.5, three months £414.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	417-.5	—2.25	417.5-8	......
3 months	424-.5	—2	424.5-5	—.5
Settlem't	417.5	—2.5	—	......
Cathodes				
Cash	406.5-3	—2.5	407.8	+.75
3 months	412-.5	—2.5	414-.5	......
Settlem't	406-.5	—2.5	—	......
U.S. Smt	—	......	52.75-53	......

TIN—Continued support buying of cash metal believed to be on behalf of the buffer stock manager held the price steady while forward metal eased to close at the same level as cash. Turnover 650 tons.

Morning: cash £1,399, £1,400, mid-Nov. £1,402, three months £1,400, £1,401. Kerb: early Nov. £1,401. Afternoon: cash £1,399, three months £1,400, £1,399.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	1400-1	+1	1399-1400	......
3 months	1400-1	—3	1399-1400	—2
S'ment	1401	+1	—	......
Straits E.	1424.59	......	—	......
New York	—	......	*167.13	......

LEAD—Recovered. Forward metal traded up to £95½ on the late Kerb as renewed buying interest found sellers reserved. Turnover 1,425 tons.

Morning: three months £94, 93.5, 93.75, 94. Afternoon: cash £92.25, three months £94, 94.5. Kerb: early Dec. £94, three months £95, 95.25, 95.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	92-.25	—.75	92.75-3	......
3 months	93.75-4	—1	94.5-5	+.125
S'ment	92.25	—.75	—	......
N.Y. Spot	—	......	*14-14½	......

ZINC—Gained ground. Suspected producer interest in early trading and expectations of a fair-sized fall in warehouse stocks prompted general buying [illegible]

COCONUT OIL

Quiet and untraded, reports G. W. Joynson. Close: Nov., Jan., March, May, July, Sept., Nov. £109-£119 (same). Turnover 0 (0) lots of 20 tons each. Price basis ex-tank Rotterdam.

COCOA

The market was much quieter, reports Gill and Duffus. No special feature emerged and the market closed barely steady.

COCOA	Yesterday's Close	+ or —	Business Done
No2Contract			
December	200.0-1.0	—	200.0-1.5
March	205.5-6.0	—0.5	205.0-7.5
May	208.5-9.0	—1.0	208.0-11.0
July	212.0-2.5	—1.0	211.0-13.0
September	215.5-6.0	—1.5	215.0-7.0
December	221.0-1.5	—1.0	221.0-2.0
March	226.0-6.5	—1.0	226.0-7.0

Sales: 2,894 (7,694) lots of 5 tons each.

COFFEE

The market held steady in light two-way dealer activity and some book squaring in front of the week-end.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per ton		
November	364.0-4.5	—1.5	364.0-6.0
January	358.0-8.5	—1.0	358.0-8.5
March	354.5-5.0	—1.0	354.5-5.0
May	351.5-2.0	—1.5	352.0-3.0
July	349.0-9.5	—1.5	349.5-50.0
September	346.5-7.0	—1.0	347.0-7.5
November	344.0-4.5	—1.0	44.0-5.0

Sales: 295 (460) lots of 5 tons each.

Latest published ICO indicator prices U.S. cents per pound. Columbian Mild Arabicas 48.25 (same). Other Milds 42.88 (same). Unwashed Arabicas 42.50 (same). Robustas 41.63 (same). Daily average 43.23 (43.19)

RUBBER

SLIGHTLY STEADIER opening, little interest shown and the market closed on a quiet note. Lewis and Peat reported a godown price of 93½ Malayan cents a kilo (buyer, Nov.).

Contract	Previous Day's Business	12.45p.m. Official prices	Closing buyers prices	Rise or fall
C.I.F.	p	p	p	p
Nov.	not avail.	12.8-13.0	12.8	......
Dec.	not avail.	12.9-13.1	12.9	......
Landed				
Spot	—	13.5-14.5	13.5	......
Nov.	14.1	14.1-.2	14.1	......
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

slightly inflated levels, reports G. W. Joynson.

Soyabean Oil	Yesterday's Close	+ or —	Business Done
	£'s a metric ton		
November	108.0-20.0	......	123.5
January	107.5-16.5	......	—
March	106.5-15.5	......	—
May	105.5-14.5	......	—
July	104.5-13.5	......	—
September	103.5-13.5	......	—
November	102.5-12.5	......	—

Turnover 5 (1) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

SUGAR

LONDON DAILY PRICE—Higher at £44.50 (£44.00) a ton c.i.f. for Oct.-Nov.

Reports that Brazil had sold 50,000 tons of raws at 5.85 cents encouraged buyers and, after gains of some 30-40 points had been recorded, values jumped a further 30-40 points with sellers backing away, reports C. Czarnikow. Later, however, profit-taking caused prices to dip 30-40 points, although the market ended steady.

Sugar Pre. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Dec.	46.85-.90	46.55-.65	46.50-47.25
Mar.	47.70-.8	47.40-.45	47.30-48.15
May	48.10-.15	47.85-.95	47.80-48.50
Aug.	48.00-.1	47.70-.75	47.50-48.45
Oct.	47.40-.5	47.30-.35	47.12-.76
Dec.	47.35-.4	47.20-.25	47.10-.65
Mar.	47.20-.4	47.00-.25	47.30-.50

Sales: 3,395 (2,540) lots of 50 tons each.

Tate and Lyle ex-refinery prices for granulated in 1-cwt paper sacks were £4.39 (£4.36½) for home trade and £61 (£60.50) per ton for export.

SUNFLOWER OIL

Quiet, reports G. W. Joynson.

Sunflower Oil	Yesterday's Close	+ or —	Business Done
	£'s a metric ton.		
November	147.0-56.0	......	—
January	146.0-54.0	......	—
March	145.0-55.0	......	—
May	144.0-54.0	......	—
July	144.0-55.0	......	—
September	144.0-54.0	......	—
November	143.0-53.0	......	—

Turnover 0 (1) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

WOOL FUTURES

MERINOS—Dull and featureless, reports Bache.

(New pence per kilo)

Dry-combed wooltops	Yesterday Close	+ or —	Business Done
October	77.0-80.5	—0.75	—
December	78.8-80.0	+0.75	—
March	79.0-80.0	+0.75	—
May	79.0-80.0	+0.75	79.0
[illegible]	[illegible]	[illegible]	[illegible]

FINANCIAL TIMES

Oct. 22	Oct. 21	Month ago	Year ago
79.36	79.56	80.80	88.69

(Base, July 1, 1952=100)

REUTER'S

Oct. 22	Oct. 21	Month ago	Year ago
609.5	[illegible]	[illegible]	[illegible]

DOW JONES

MOODY'S

This week's SE dealings

Friday, October 22	12,209	Wednesday, October 20	13,597	Monday, October 18	13,447
Thursday, October 21	11,969	Tuesday, October 19	14,208	Friday, October 15	12,772

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in brackets).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of the London Stock Exchange have been recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ♦ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

Ireland (Rep. of) 9¼pc (f.p.) 100. 9¼pc (Iss. at 97pc. £10 pd.) 13♦
Japan 4pc (Enfcd.) $177. 6pcLn. 1983-88 78 7 (19/10)
Roumania Monopolies Inst. 7pcBds. 8¾ (19/10)
San Paulo (State of) Coffee Institute 7½pc Bds. 1956 (Plan A) 48♦
Uruguay 3½pcBds. 49 (21/10)
Peruvian Invest. and Finance Class B Shs. (of $US1) ⅛ (21/10). 6pcDb. £2. 5pc

COUPONS PAYABLE IN LONDON

Bahia (State of) 5pcLn. 1913 48♦
Bulgarian 7pcLn. 4½♦ (21/10)
Chilean 6pc 1929 65½ (19/10)
Chinese 4½pcBds. 1½♦. 5pcBds. 1925 2¾: 5pcLn. 1913 (London Iss.) ¾ (19/10). Drawn Bds. 2¼♦ (21/10). (German Iss.) 1 (19/10)
German Intnl. 5½pcBds. 193½ (18/10)
Greek 5pc 1884 (With Accept. Certs.) £27½♦. 4pc Railways Ln. (With Accept. Cert.) 21. 6pc Pub. Wks. Ln. (With Accept. Certs.) 32½ (18/10)

A.P.V. Hldgs. (50p) 229
A.R.V. Hldgs. (25p) 48♦
A.V.P. Indust. (40p) 149½ 51 50 49
A.V.P. Props. 7¼pcDb. 79♦
A.W. (Secs.) (10p) 60½ 60 59 ½
Aaronson Bros. (25p) 315♦ 15‡♦
Abbey Panels (25p) 41 (20/10)
Abercom Invest. (R0.30) 178 (20/10)
Aberdare Hldgs. (25p) 13♦ 12½♦ ½ 11½ ¾ 12 ¾ 13

Boots (25p) 205♦ 4‡♦ 6½ 7½ 6 8 5½ 5 7. 6pcLn. 80. 7¾pcLn. 91¼♦ 90¾‡ 90‡ 1½ 90½‡
Boulton (William) (10p) 37. 8¼pcLn. 115
Bourne Hollingsworth 6¼pcLn. 55 (21/10)
Bovis (25p) 214♦ 10 14
Bovril 6½pcPf. 66¾♦. 7½pcPf. 75½♦ 80
Bowater Paper Corp. 149♦ 50 1. 49½‡. 5½pcPf. 61½‡. 3½pcDb. 54. 7pcLn. 81½
Bowaters Newfoundland 4½pcPf. 33½‡♦ 4

Clydesdale Commonwealth Hotels (25p) 161♦ 58½
Coalite Chem. Products (10p) 88♦ 7½ 8½
Coates Bros. (25p) 107 (18/10). New (25p) 110 (18/10). A (25p) 106 (20/10). NewA (25p) 109 7 (19/10)
Coats Patons (25p) 65½ 6 5¼ 5. New (25p) 6½ ½ 6¼ (21/10). 4½pcLn. 1961-75 88. 4½pcLn. 2002-07 52 (20/10). 6¼pc Ln. 75¼. 7½pcLn. 88¼♦ ¼ (21/10)

Gallaher (50p) 128♦ 9 8 7. 5½pcPf. 65½ 4 (18/10). 6pcLn. 1976-81 79½. Do. 1983-85 74
Gallenkamp (A.) (25p) 151 48 (20/10). 6pcDb. 71♦ ¼♦
Galliford Estates (10p) 163 6 58 9 62 (20/10). 10pcLn. 278♦ (21/10)
Galloway (John) (25p) 6½ (20/10)
Gandy (25p) 39
Garford-Lilley Industries (5p) 5
Gaskell and Chambers (Hldgs.) (25p) 47 4
Gates (Frank G.) (25p) 76 (20/10)
Gateway Secs. A (25p) 62♦
Geers Gross (10p) 68♦
Gelfer (A. and J.) (20p) 45. New (20p) 45♦ 4 (21/10)

Hampson Inds. (5p) 37♦ (21/10). New (5p) 36 (20/10)
Hampton (C. J.) (25p) 62 (18/10)
Hanger Invsts. (10p) 19¼ ½
Hanimex Cpn. ($A0.50) 49½ (20/10)
Hanson Tst. (25p) 165 ½. 8½pcLn. 105
Hardura Grp. (25p) 50
Hardy (Furnishers) (25p) 135 (21/10). A (res.-vtg.) (25p) 111 (18/10)
Hargreaves Grp. 288
Harmo Inds. (10p) 50¼ ½ 1½
Harper (John) (25p) 39½♦ (21/10)
Harrison Sons (25p) 120♦ (21/10)
Harrison (James) Hldgs. (10p) 28 7½
Harrison (T. C.) (25p) 77 (21/10)

Harrisons Crosfield 812: 23. 6½pcPf. 72 (21/10)
Hartley Baird (5p) 1¾ (19/10)
Hartley Crosland Grp. (5p) 9 (19/10)
Hartwells Grp. (25p) 94⊕ 3⊕ (21/10). 8¾pcLn. 148
Harvey Plant Hldgs. (25p) 156 (19/10)
Harveys Bristol 6¼pcDb. 82 (21/10)
Hawker Siddeley 227 6½ 5: 6 50 47 8 28 5½ 4 40 25 52 45 35 5½pcPf. 59:. 4pc1stDb. 88¼. 7¼pcDb. 83¼
Hawkins Devs. (5p) 3⅞ 4 3½ (18/10)
Hay Robertson SpcPf. 16⊕ (21/10)
Hazell (Quinton) (Hldgs.) (10p) 60⊕ 60 ½. 6¼pcLn. 54⊕ (21/10). 9pcLn. 168⊕ 73 68 (21/10)
Hazlewoods (Propy.) (20p) 54⊕ 5⊕ 60⊕ 2½ 3. 7½pcPf. 46
Heal Son Hldgs. £13¼
Heath (G. H.) (25p) 44 (20/10)
Heenan Beddow (10p) 110 11½:. New (10p) 103⊕ 12 11. 10¼pcLn. 105 6 5½ 4 (19/10)
Heinz (H. J.) 6pcDb. 76⊕
Helene London (5p) 14⊕ 15 14¼
Helical Bar (25p) 17½
Hemdale Grp. (10p) 59½. 9½pcLn. 100 (21/10)
Henderson (P. C.) (10p) 93:. A N.-vtg. (10p) 90
Henderson-Kenton (Hldgs.) (20p) 50 (19/10)
Henekey's 7pc2ndPf. 62½ (21/10)
Henlys (20p) 139⊕ 40. 7½pcPf. 77. 8¼pc Uns.Ln. 79 (18/10)
Henriques (Arthur) (10p) 35 (21/10)
Henry (A. S.) (25p) 105
Hensher (Furniture Trades) (10p) 20 20½ (19/10). A N-Vtg. (10p) 18
Hepworth Ceramic Hldgs. (25p) 70½ 69. New (25p) 70½⊕ ½ (21/10). 7¼pcDb 86¼ (18/10). 10.4pcDb. 111. 7½pc Uns.Ln. 180 (19/10). 11pcUnsLn. 137 (18/10)
Hepworth (J.) (50p) 385 (19/10). B (50p) 386 4 5. 10pcBPf. 52 (19/10)
Herbert (Alfred) 51½⊕ 50⊕ 49½ 9. 7¼pc Db. 78 ¼ (21/10)
Herrburger Brooks (50p) 71⊕ 1: (21/10)
Hestair (25p) 153
Hewden-Stuart Plant (10p) 52. 7pcUns. Ln. 111½ (18/10)
Heywood Williams Grp. (50p) 63½⊕
Hicking Pentecost (50p) 72
Hickson Welch (Hldgs.) (50p) 419⊕. 8½pc Uns.Ln. 85 (19/10)
Hield Bros. (5p) 12½ ½⊕ 11¾ 12 (21/10)
Higgs Hill (25p) 106
Highams (25p) 38 (20/10)

Lilley (F. J. C.) (25p) 61⊕ 2
Limmer Hldgs. (25p) 41 40½ 2 40¼ 3 2½ 1½ ¼ ¾
Lincroft Kilgour Grp. (10p) 40½
Lindop (H. W.) (5p) 7½ 8 (21/10)
Lindustries (25p) 53½. 6pcPfd. 48. 5pc Pf. 43½ (20/10)
Liner Concrete Machinery (10p) 12½ (19/10)
Linread (25p) 72
Lipton (L.) (25p) 109½ 10
Lister (25p) 47⊕ ½ 6
Liverpool Daily Post Echo (50p) 131 28
Liverpool Shoe (10p) 7¼⊕ 7
Lloyds Indust. Intnl. (10p) 71
Locker (Thomas) (Hldgs.) (5p) 12¼⊕ ½ ¼ (21/10). A N.V. (5p) 11⊕
Lockhart (Alfred) (25p) 105 12½ (21/10)
London Midland Indust. (25p) 97 9 6 5. 5pcPf. 51½⊕ (21/10). 9½pcLn. 1988-91 109 8 ½
London Northern Secs. (25p) 66½⊕ 70⊕ 7. 7pcPf. 78 (19/10)
London Provincial Poster Grp. (50p) 111 (21/10)
London Brick (25p) 100½⊕ 1⊕ 100 98½ 9½ 9. 8pcPf. 80 (20/10)
Long Hambly (10p) 45
Longmore Bros. (25p) 195⊕
Lonsdale Universal (25p) 41: ¼:. 8pcCnv. Uns.Ln 80 (19/10)
Lotus (25p) 54 3½. 7pcPf. 60 (18/10)
Loveys (John) (10p) 31⊕ 2 1½
Low Bonar 6pc2ndPf. 52⊕ (21/10)
Loyds Retailers (25p) 29½ 8
Lucas (Joseph) (Industries) 275 2:. 6¼pc Cnv.Uns.Ln 99⊕ 7 (21/10). 7¾pcUns. Ln. 87½. 10¼pcUns.Ln. 113⊕
Lyon Lyon (25p) 24⊕
Lyons Lyons (10p) 9½ (19/10)
Lyons (J.) 567:. A (Non.-V.) 568⊕ 72 67:. 4½pc1stMtg.Db. 97½ ¼. 6pc1st Mtg.Db. 75¼ (19/10). 5½pcUns.Ln. 66:. 7¼pcUns.Ln. 87¼⊕ 6½:. 7pcCnv.Uns. Ln. 147

MFI Warehouses (10p) 188⊕ 5⊕ 8 92 90 1
MK Electric Hldgs. (25p) 118⊕ 17 16 15
MK Refrigeration (10p) 228 (20/10)
ML Hldgs. (25p) 30 (21/10)
MTE (10p) 30: (21/10). 8½pcCnv.Uns. Ln. 66⊕
MY Dart (10p) 57½ 6
Macanie (London) (10p) 24 (18/10)
Macarthys Pharmaceuticals (20p) 142⊕ 1 3 2. 5½pcBPf. 54 (20/10)
McBride (Robert) (Middleton) (10p) 96

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

ELEC. LIGHTING & POWER (4)

FINANCIAL TRUSTS, ETC. (278)

GAS (9)

INSURANCE (265)

INVESTMENT TRUSTS (715)

Second British Assets (25p) 226. 5pcDb. 1979 60½ (19/10). 8pcLn. 232 30 (20/10)
Second Broadmount (5p) 33. 7pcPf. (50p) 36½⊕ (21/10)
Second Consd. Tst. (25p) 114⊕ 14. 5pc Pf. 58 (19/10)
Second Great Northern (25p) 87⊕
Second London Scottish Amer. (25p) 136⊕ 8
Second Scottish (25p) 95½⊕ ½ 5 6. 5pc Pfd. 56⊕ 6 (21/10)
Securities Tst. of Scotland (25p) 160½ 59. 4½pcPf. 48½ (20/10). 7pcDb. 80½ (20/10)
Simonside Inv. 118½
Slater Walker New (50p) 100½ 1½ 1. 8½pcLn. 113½⊕ 12¾ 13¼ 13

UNIT TRUSTS (14)

IRON, COAL & STEEL (94)

MINES

Australian (66)

Miscellaneous (194)

Rhod. & E. African (34)

South African (230)

West African

Diamond

OIL

PROPERTY

RUBBER

هكذا من الأصل

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

EQUITY GROUPS & SUB-SECTIONS (Figures after sectional names show number of stocks.)	Friday, Oct. 22, 1971 Index No.	Day's Change %	With 40% Corporation Tax Est. Earnings yield %	Est. Price Earnings Ratio	Div. yield %	Thurs. Oct. 21 Index No.	Wed. Oct. 20 Index No.	Tues. Oct. 19 Index No.	Mon. Oct. 18 Index No.	Year ago (approx.) Index No.	1971 High	1971 Low	Since compilation High	Since compilation Low
CAPITAL GOODS GROUP (184)	157.08	−0.8	6.01	16.65	3.82	157.29	158.71	159.90	159.39	129.15	162.00	103.03	181.50	82.82

FIXED INTEREST	Index No.	Yield %	Oct. 21	Oct. 20	Oct. 19	Oct. 18	Oct. 15	Oct. 14	Year ago (approx.)	1971 High	1971 Low	Since Compilation High	Since Compilation Low
20-yr. Red. Deb. & Loans (15) % yield	—	8.58	8.58	8.58	8.57	8.57	8.49	8.49	9.26	—	—	—	—
Govt. Stocks (6)	85.78	‡7.49	85.99	86.35	86.04	86.35	86.48	86.47	74.12	86.57 (13/10)	70.60 (4/1)	115.42 (11/9/65)	68.43 (15/6/70)
Debentures & Loans (15)	79.75	‡9.80	79.83	79.69	79.70	79.73	79.78	79.39	72.30	79.83 (21/10)	68.42 (4/1)	113.43 (27/10/65)	66.59 (16/6/70)
Inv. Trusts Prefs. (15)	78.78	9.39	78.78	78.76	78.49	78.49	77.98	77.60	70.39	78.78 (20/10)	66.23 (11/1)	114.41 (13/9/65)	66.23 (11/1/71)
Coml. and Industl. Prefs. (20)	85.47	9.03	85.29	85.00	84.97	84.97	85.18	84.24	75.52	85.47 (22/10)	59.02 (13/1)	114.41 (7/10/65)	59.02 (13/1/71)

Group	Base Date	Base Value
	29/12/67	114.13
	29/12/67	114.13
	29/12/67	96.67
	29/12/67	100.00
	16/1/70	144.76
	16/1/70	135.72
	16/1/70	162.74
	31/12/70	128.20
Financial	31/12/70	128.06
	10/4/62	100.00

‡ Redemption yield.

F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 360 computer.

A current list of constituents of the F.T.-Actuaries Share Indices can be obtained from the Publisher, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post inland 16p. Commonwealth 16p. Foreign 19p.

CONSTITUENT CHANGE: Qualitex (Textiles) has been replaced by Rexmore Ltd. (Textiles).

NEW 'HIGHS' AND 'LOWS' FOR 1971

NEW "HIGHS" (67)

NEW "LOWS" (36)

OCTOBER 18 (Nil)

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

OCTOBER 22

OCTOBER 19

Alexander Fund 4250
Australian Guarantee 830 5
Ansett Transportation 310
Australian Continental Resources 74½

McCarthy Rodway 125
Mayne Nickless 710
Nederlands Bank 1950
Planet Metal 10
R.C.A. Cpn. £17⅝
Reynolds Metal 850
S.A. Marine 59
Singer Mfg. £31⅞
Sorco 100
Transport Development (Aust.) 74
Warner Lambert £37
Westinghouse Elec. £45⅝

(By permission of the Stock Exchange Council)

MONEY + EXCHANGES

Large assistance

Bank Rate 5 per cent. (September 2, 1971)

Conditions were more difficult in the Discount market yesterday and the authorities gave a large amount of assistance. This was mainly by the purchase of Treasury bills from the houses and banks, but also some corporation bills were bought. Run down balances at the banks and increased note circulation were the main factors against the market.

A rate of 4¾ per cent. to 4¾ per cent. was paid for secured day-to-day loans for the most part, with 5 per cent. touched in places. The finish was fairly comfortable and rates were in a range of 4¾-4⅞ per cent. At the Treasury bill tender the average rate of discount fell 0.0380 per cent. to 4.5723 per cent., bringing the reduction since the cut in Bank Rate to 1.2329 per cent.

In the inter-bank market overnight loans opened at 4⅞ per cent. to 5¼ per cent., and moved up to 5½-6 per cent. in the afternoon, closing at 5⅞-6 per cent.

† Local authorities and finance houses seven-day notice, other seven-days fixed. Finance House Base Rate (published by the Finance House Association) 5 per cent. Co-operative Bank Deposits: 7-day 3 per cent., 1-month 3¼ per cent., base rate 5 per cent.

EXCHANGES AND BULLION

Sterling gained further ground against the dollar in London inter-bank dealings at \$2.4925-\$2.4927, against \$2.4922-\$2.4925 on Thursday. This is the highest closing rate since floating in August. The pound opened at \$2.4925 but eased a little during the morning. Good buying on the Continent and in New York took the rate to the day's peak of \$2.4938-\$2.4941 during the afternoon. Euro-dollar rates were unchanged but the undertone remained easy. Forward pounds were again easier with the three-month and six-month at 0.25¼ cents premium and the 12-month at 40½ cents discount. The dollar tended to be a little firmer against most of the major European currencies. The Canadian dollar improved from 99.76-99.79 to 99.91-99.94 U.S. cents.

Gold was fixed at \$42.47½ (£17.042) an ounce in London in the morning and at \$42.47½ (£17.034) in the afternoon. Business was moderate and the closing quotation was \$42.40-42.60, for a net loss of 5 cents. Among gold coins new sovereigns fell 2½ cents to \$10.80-10.90 and old lost 7½ cents to \$12.82½-12.92½. Single Eagles were \$½ lower at \$35-36. In Zurich gold closed unchanged at \$42.45-42.60. In Paris the 12½-kilogramme gold bar was fixed at Frs.7,420 a kilogramme (\$42.57 an ounce, up one cent at the financial franc exchange rate) at noon, and at Frs.7,415 (\$42.55 an ounce) in the afternoon. The one-kilogramme ingot was fixed at Frs.7,410 (\$42.54 an ounce). Turnover at the Bourse meeting was Frs.3.6m. Hong Kong raised gold 4 cents to \$44.27.

EURO-CURRENCY INTEREST RATES ◇

Oct. 22	Sterling	U.S. dollar	Canadian dollar	Dutch guilder	W. German mark	Swiss franc
Short-term	4¾-5	4¾-5¼	4⅝-4⅞	5½-6	7-8	½-1
7-days' notice	-	5-5½	5-5¼	5½-6	7-8	½-1
Month	[illegible]	5½-6	5½-5¾	5⅝-5⅞	5½-5¾	⅝-⅞
Three-months	5½-6	6⅛-6⅝	[illegible]	[illegible]	5⅝-5⅞	1⅝-1⅞
Six-months	[illegible]	6¼-6¾	[illegible]	[illegible]	5⅝-5⅞	2½-2¾
One year	6½-7	6½-7	[illegible]	[illegible]	5½-5¾	[illegible]

Longer-term Eurodollar deposit rates were quoted nominally as follows: two-years 7-7¼ per cent., three-years 7¼-7½ per cent., four-years 7¼-7½ per cent., and five-years

EXCHANGE CROSS-RATES

Canadian $ on New York 0.9394-0.9947. Milan on New York 612.23. Milan on London 1526.30.

FOREIGN EXCHANGES

OTHER MARKET RATES

FORWARD RATES

	One month	Three months
Brussels	par-20c. dis	15c.pm-05 c. dis.
Copenh'n.	par 5 ore dis	4-9 ore dis.
Frankfurt	½pf.pm-½ pf.dis.	1¼-¼ pf pm.
Lisbon	10 c. pm-10 dis.	30c.pm-05c.dis
Milan	1½l.pm-1½l.dis	1 lirepm-2 lr.dis
Oslo	5 ore pm-par	8-4 orepm
Paris	9-6 c. pm	15-12 c. pm
Stockh'lm.	¼-1¼ ore dis	1¼-2¼ ore dis
Vienna	20gro.pm-20gro.dis	25g.pm-10g.dis
Zurich	4-3¼ c. pm	10⅜-9⅝ c. pm

ERRATA

Ready Mixed Concrete 8½pcLn. (1978) 148 should have been to the Ord. (19/10)
Tyneside Invest. Tst. 369⊕ 4 should have been 395⊕ 4 (20/10)
Bentalls Stk. 50⊕ 1 should have been 90⊕ 1 (20/10)
Campari Ord. 176⊕ should have been 174⊕ (20/10)
Courage 4¼pcDb. (1983-87) 5¼ should have been to the 3½pcDb. (1982-87) (20/10)
EMI Ord. should not have been marked 167 (21/10)
Redfearn National Glass 164 should have been 154 (21/10)

CORAL INDEX
Close 406-411

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	1	21	27
Corpns. Dom. and Foreign Bonds	12	3	118
Industrials	271	472	979
Financial & Prop.	75	189	278
Oils	4	10	16
Plantations	4	11	73
Mines	17	42	120
Recent Issues	10	21	98
Totals	394	769	1,709

ACTIVE STOCKS

YESTERDAY—

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1971 high	1971 low
Brit. Petrol. New	Nil pd.	18	*98	—	*128	*98
Hawker Siddeley	£1	13	260	+35	265	123
Imp. Chem. Inds.	£1	15	300	+ 2	335	230
Barclays Bank	£1	13	532	−10	622	327½
Rio Tinto-Zinc	25p	13	195	+ 6	270	184
Ladbroke	25p	12	356	+21	356	122½
Beecham	25p	11	308	− 2	356	225
Brit.-Am. Tobacco	25p	11	315	—	391	265
Burmah Oil	£1	11	404	− 6	477	297½
Lloyds Bank	£1	10	538	− 4	618	310
Nat. Westminster	£1	10	538	− 6	630	323¾
Limmer Hldgs.	25p	9	41½	+ 1	41½	12½
Midland Bank	£1	9	482	−12	552	287½
Royal Insurance	25p	9	396	+ 1	434	265
Tube Investments	£1	9	415	− 5	487	304

* Premium.

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1)(e) and reproduced to-day in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price	Change on week	1971 high	1971 low
Trust Hses. Forte	25p	123	164	+37	178	116
Imp. Chem. Inds.	£1	75	300	− 6	335	230
Brit. Petrol. New	Nil pd.	74	*98	−17	*128	*98
Rio Tinto-Zinc	25p	67	195	−18	270	184
Brit.-Am. Tobacco	25p	65	315	− 1	391	265
Marks & Spencer	25p	64	285	−12	331	194¾
Unilever	25p	64	290	−21	340	215
Alliance Property	25p	60	115	− 1	124½	63½
Eagle Star	50p	60	440	−42	497	271½
Shell Transport	25p	57	340	−20	426	327
Stigwood (R.)	10p	57	95	−21	121	24
Lonrho	25p	56	59	− 6½	113	48
De Beers Defd.	R0.05	53	183	− 9	258	173
EMI	50p	55	164	+ 4	189	124
Beecham	25p	54	308	−22	356	225

Option Report and three-month "Call" rates

First Dealings	Last Dealings	Last Declaration	For Settlement
Oct. 12	Oct. 25	Jan. 13	Jan. 25
Oct. 26	Nov. 8	Jan. 27	Feb. 8
Nov. 9	Nov. 22	Feb. 10	Feb. 22

Business was on a better scale in Options. Stocks favoured for the "call" included British Leyland, Lex Service, Bryanston Finance, GEC, Trust Houses Forte, Laporte, London and Bombay United Investments, Associated Leisure, ICI, Robert Stigwood, Richard Costain, City Offices, Armour Trust, Tube Investments, Cadbury Schweppes, Raybeck, Lonrho, and De Beers Deferred.

"Puts" were arranged in Trust Houses Forte, Unilever, Robert Stigwood, English China Clays and Marks and Spencer, while double options were completed in Trust Houses Forte, British Leyland and Westminster and Country Properties.

Prices in pence unless otherwise stated.

Industrials						Mines	
A.P.Cement	18	G.U.S. "A"	22	Reed Intl.	22	Anglo Amer.	30
BarclaysBank	30	Guardian	14	Slater Walker	20	Broken HillProp	62
Beecham	18	Guest Keen.	20	Tesco	5	Charter Cons.	22
Boots Drug	11	Hawker Sidd.	20	Thorn 'A'	25	Charterhall Fin.	4
		Hay's Wharf	20	Tube Inv.	25	Cons. Gold	25
		HouseofFraser	17	Unilever	20		

REGIONAL MARKETS

IRISH EXCHANGE

NORTHERN EXCHANGE

MIDLANDS & WESTERN

SCOTTISH EXCHANGE

F.T. SHARE INFORMATION SERVICE

BRITISH FUNDS

1971 High	1971 Low	Stock	Closing Price £	+ or —	Gr's Y'ld pc Inter'st £	Gr's Y'ld pc Redemption £
		"Shorts" (Lives up to Five Years)				
100 1/16	98 13/32	Conv. 6pc 1972	100 13/32	......	5.97	4.56
99 3/16	96 1/8	Gas 4pc 69-72	99 3/8	......	4.02	4.79
101 3/32	96 1/16	Exchequer 6 1/4pc. 1972	101 1/32	......	6.17	4.69
102 1/4	98 1/32	Exchequer 6 3/4pc 1973	102 1/4	+ 1/32	6.60	4.80
97 1/16	92 5/8	Electric 3pc '68-73	97 13/32	......	3.08	4.88
97 1/16	92 3/8	Transport 3pc '68-73	97 13/32	......	3.08	4.88
99 7/16	99 1/4	Treas. 5 1/4% 1973	99 7/16	......	5.26	5.28
99	95 7/8	Conv. 5 1/4pc 1974	99	......	5.30	5.65
99 1/16	98 5/32	Treas. 6 1/2% 1974	99 7/16	......	6.53	5.70
102 3/32	96 3/32	Treasury 6 3/4pc 1974	102 1/16	— 1/8	6.57	5.79
92 7/8	84 3/16	Savings 3pc '65-75	92 3/16	— 1/16	3.25	5.24
100 1/16	98 1/16	Treasury 6pc 1975	99 11/16	— 1/32	6.01	6.05
101 3/32	95 1/4	Exch. 6 1/2pc 1976	101 1/16	— 1/16	6.43	6.22
101 3/32	93 1/2	Treasury 6 1/2pc 1976	101 1/16	— 1/16	6.43	6.23
100	94 3/4	Victory 4pc 1976	97 1/4	......	4.11	5.24
		Five to Fifteen Years				
99 1/2	97 1/4	Funding 4pc' 60-90	97 1/2 xd	......	4.10	5.04
101	98	Treas. 6 1/2% 1977	100 3/4	— 1/8	6.34	6.23
91	86	Electric 3pc 1974-77	90 3/4	......	3.32	5.05
91 3/4	81	Transport 4pc '72-77	91 3/4	......	4.42	5.88
95 5/8	83 3/8	Exchequer 5pc '76-78	93 3/8	......	5.36	6.21
89 1/8	75 3/8	Electric 4 1/4pc '74-79	89	......	4.79	6.07
85	70 3/4	Do. 3 1/2pc '76-79	84 1/4 xd	......	4.14	5.95
85 1/8	69 1/8	Treasury 3 1/2pc '77-80	85 1/8	......	4.17	5.91
95 3/4	76 7/8	Funding 5 1/4pc '78-80	93 3/4	......	5.71	6.49
82 1/2	67 3/4	Treasury 3 1/2pc '79-81	82 1/2	......	4.28	6.08
107 1/4	92 3/8	Do. 8 3/4pc '80-82	107 1/8	......	8.11	7.70
89 3/4	71	Funding 5 1/2pc '82-84	89 3/4	......	6.28	6.94
105 3/8	90 1/8	Treasury 8 1/2pc '84-86	105 1/4	......	8.27	8.14
		Over Fifteen Years				
89 7/8	76	Funding 6 1/2pc '85-87	87 7/8 xd	— 1/8	7.38	7.85
63 1/2	47 5/8	Transport 3pc '78-88	63	— 1/4	4.84	6.85
74 1/8	61 1/4	Treasury 5pc '86-89	73 3/4 xd	— 1/4	6.79	7.74
98 5/8	96	Treasury 8 1/4pc 87-90	98	— 1/4	8.51	8.58
79	67 1/8	Funding 5 3/4pc '87-91	78 5/8	— 1/8	7.34	7.96
78 1/2	66 3/8	Funding 6pc 1993	78 1/8	— 1/8	7.76	8.25
107 1/4	93 7/8	Treasury 9pc 1994	102 1/2 xd	— 1/4	8.73	8.69
54	41 5/8	Gas 3pc '90-95	53 1/2 xd	......	5.60	7.08
103 7/8	95	Treas. 9pc '92-6	103	— 1/4	8.82	8.79
55 1/4	41	Redp 3pc '86-96	54 3/4	......	5.50	6.81
102 3/4	90 1/4	Treasury 8 3/4pc 1997	101 1/2	— 1/4	8.73	8.72
103 1/2	94 1/4	Treas. 8 3/4pc 1997 "A"	102 1/4	— 1/4	8.76	8.76
84 7/8	72 1/2	Treasury 6 3/4pc '95-98	81 7/8 xd	— 1/8	8.23	8.46
62 1/8	40 3/4	Funding 3 1/2pc '99-04	51	......	7.00	7.70
95 1/4	95	Treas. 8pc '02-6 ●	95	......	8.43	8.46
69	67 3/4	Treasury 5 1/2pc '08-12	67 1/4	— 1/4	8.26	8.40
		Undated				
47 5/8	40 1/4	Consols 4pc	46 3/4	— 1/8	8.75	—
42 7/8	36	War Loan 3 1/2pc	41 7/8	— 1/8	8.65	—

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

PUBLIC BOARD AND OTHER LOANS

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

S.E. List Premium 23 3/4% (based on $2.4650 per £)

BANKS AND HIRE PURCHASE

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

1971 High	1971 Low	Stock	Closing Price	+ or —	Div. % or amount	Times covered	Gross yield pc	P/E Ratio
22 1/2	11 1/4	J.B.Holdings5p	22 1/2	....	20	2.5	4.4	10.4
		For Jackson (DT) see Francis Parker under "Recents"						
103	46	Janes (H.C.)	95	—1	18	1.9	4.7	11.1
114	69	Jarvis (J.)	110	......	30	1.6	6.8	9.9
48	30	Jenkins (T) 10p	45 1/2	— 1/2	d17	1.9	3.7	14.4
77	47 1/2	Jenn'gsSA0.50	75	—1	10	3.6	3.1	9.1
385	152 1/2	J'hns'nRicd 50p	385	......	d18	2.8	2.3	15.2

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

1971 High	1971 Low	Stock	Closing Price	+ or —	Div. % or amount	Times covered	Gross yield pc	P/E Ratio
178	69 3/8	Perkins (D)	157	—5	20	1.6	3.2	19.3
167	76 3/4	Peters(J.) Furn.	167	......	19	2.1	3.4	16.3
24 1/2	10 1/2	Pindapele 10p	22 1/2	......	16	1.9	7.8	7.4
36	23	Polly Peck 10p	33	......	d27 1/2	1.5	8.3	8.1
69	51	Preedy (Alfred)	63	......	16 1/2	1.1	6.5	14.8
17	11 1/2	QueenSt. W.10p	13	+ 1/2	B—	—	—	—
12 1/2	6 1/2	Ramar Text 5p	8 1/2	......	10	0.7	6.9	23.3
62	28	Ratners 10p	59	......	d30	1.5	5.1	12.8

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Gen. Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

INDUSTRIALS

TEAS—Continued

India and Pakistan (cont.)

1971 High	1971 Low	Stock	Closing Price pence	+ or —	Div. % Amount	Times covered	Gross yield %
30	28	Scottish Assam (£1)	36	—	—	—	—
6¼	4	Singlo (10p)	6¼	—	—	—	—
82½	34	South'n India (£1)	36	—	2½	U1.5	6.9
242½	175	Travancore (£1)	202	—	20	1.2	9.9
61	39	Warren Tea (£1)	51	—	6	1.6	11.8
59	45	WestDooars (£1)	60	—	4	1.3	8.0
78	51½	Williamson (£1)	77	—	8	1.6	10.4

Ceylon—

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
63	54	Bogawantalawa £1	59	—	10	1.0	16.9
9	4⅛	Central Prov.	8	—	5	C1.2	15.6
156	101¼	Ceylon Plants (£1)	186	+2	20	1.0	10.7
45	35	Dimbula Valley £1	40	—	5	2.3	7.5
8	4¾	Galaha (20p)	6	—	3.4	Φ	11.5
3½	2⅛	Gen. Ceylon (10p)	3¼	—	2	U1.5	3.0
27	12	Halcyon Inv (10p)	21	—	4	—	1.9
62	32½	Lanka (£1)	58	—	5	1.2	9.8
50	37	Lunuva (£1)	47	—	3	1.3	6.4
28	21	Nuwara Eliya (£1)	26	—2	—	—	—
42	28¾	Ouvah High £1	42	—	3½	1.2	8.3
120	92½	Pelmadulla £1	124	+4	18	1.2	14.5
11¼	9⅛	Rajawella Hdg. 50p	11	—	B—	—	—
13⅛	9⅜	Rosehaugh	12	—	5	0.4	12.5
4⅜	4	Scot. Ceylon	4¼	—	—	—	—
21¼	16	Scot. Tea & Lds £1	16	—	2½	1.4	15.6
55	38	Standard £1	55	—	5	1.3	9.1
6	3¾	Tea Corporation	5¾	—	—	—	—

MINES—CENTRAL RAND

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
88	65	Durban Deep (R1)	65	—	‡14c	2.0	‡
110	68	East Rand Prp. (R1)	70	—	‡4c	9.4	‡
32	21	Leipaards Vl. (10p)	27	—½	2c	Φ	4.3
13	8	Rand Leases (2½c)	9	—	—	—	—
90	68¼	Randf'nt'n Est. (R2)	68	—	‡4c	1.5	‡
66¼	45	RobinsonDeep (2½c)	50	—	‡4½c	1.2	‡
28¼	20	Simmer (2c)	22	—	—	—	—
40	31	West Rand (R1)	31	—	10c	2.5	18.6

EASTERN RAND

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
65	40	Bracken (R1)	41	—	16½c	Φ	23.6
10	7½	Daggafontein (50c)	7½	—	—	—	—
29	21¼	East Dagg (R1)	28	—	†11c	1.0	25.7
15	10	East Geduld (24c)	11	—	14c	—	74.2
15½	9	G'vlei'nt Areas (2½)	9	—	‡20c	1.0	‡
22	17	Grootvlei (35c)	17	—	†4.5c	2.2	15.4
113½	74	Kinross (R1)	77	—	12c	Φ	9.1
46¼	26	Leslie (R1)	26	—	10c	Φ	22.4
76	55	Marievale (R1)	57	—	‡28.5c	1.0	‡
88	63	S.African Ld. (35c)	76	—	†35c	0.7	26.9
65	46	Sub Nigel (2½c)	56	—	22c	Φ	22.9
45	34	Vlakfontein (R1)	41	—	20c	1.0	28.4
170	121¼	Winkelhaak (R1)	130	+2	12c	Φ	5.4
6	3½	Wit Nigel (25c)	3½	—	—	—	—

FAR WEST RAND

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
164	118	Blyvoor (25c)	120	—2	24c	1.4	11.7
330	150	Buffels (R1)	155	—	‡18c	2.7	6.8
237	138	Doornfontein (R1)	138	—	21c	1.9	8.9
202	136	East Drie. (R1)	138	—	—	—	—
203	136	Do. Comb. Units	135	—	—	—	—
73	45	Elsburg (R1)	45	—	—	—	—
255	137½	Hartebeest (R1)	150	—	8c	6.9	3.1
291	208	Kloof Gold (R1)	208	—2	8c	6.7	2.2
270	200	Do. Comb. Units	200	—	8c	6.7	2.3
225	145	Libanon (R1)	158	—	37c	1.5	13.5
41¼	32	Stilfontein (50)	35	—	5c	2.2	8.8
*624	360	Vaal Reefs (50c)	360xr	—5	50c	2.5	8.1
68	49	Venterspost (R1)	61	—	‡20c	1.5	22.9
£10½	730	W. Drie (R1)	740	—	108c	1.4	8.5
870	535	WRIT (R1)	535	—10	47½	1.4	5.2
865	535	West Wit. (25c)	635	—	◆45c	1.2	4.9
103	57	Western Areas (R1)	57	—	6c	2.9	6.1
516	330	Western Deep (R2)	330	—	65c	1.6	11.5
39	25	Zandpan (R1)	25	—1	—	—	—

O.F.S.

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
62	36	Free State Dev. 50c	36	—	2c	6.5	4.6
720	415	F. S. Geduld (50c)	418	+3	130c	Φ	18.1
85	60	Harmony (50c)	60	—	16	1.7	7.8
31	19	Loraine (R1)	19	—1	—	—	—
720	480	OFSIT (R1)	480	—5	77½	1.4	9.4
595	400	Pres. Brand (50c)	410	—	185c	Φ	14.9
292	206	Pres. Steyn (50c)	209	—1	15c	Φ	4.2
577	438	St. Helena (R1)	438	—2	69c	Φ	6.9
23	19	Virginia (50c)	19	—	6c	1.4	18.4
112	71	Welkom (50c)	76	—1	18½c	Φ	14.2
930	712½	W. Holding (50c)	735	—	170c	Φ	13.5

FINANCE

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
360	230	Ang-Amer (10c)	230	—2	16c	1.9	4.1
940	530	Ang-Vaal (50c)	530	—45	65c	Φ	6.1
271	178	Charter Con.	184	+4	32	1.8	4.3
285	168	Cons. Gold Fields	171xd	+1	29.2	Φ	4.3
140	60	Corner House (R2)	70	—	11c	3.6	9.2
*23¾	17	East Rand Con. 10p	17	—	1½	U1.5	7.1
205	150	Geduld Inv. (R1)	153	—	19½c	1.9	7.4
£10⅛	756¼	Gen. Mining (R2)	810	—	80c	1.8	5.7
£17⅛	925	Joburg Cons. (R2)	925	—58	85c	1.7	5.4
115	48	Lonrho	59	+2	t26	2.1	11.0
267	132	Middle Wit (25c)	132	—	9c	2.2	4.0
80	60	New Wit (50c)	60	—2	8½	1.8	8.3
675	446	Rand Selection (50c)	450	—	42½c	1.6	5.5
780	501	Selection Trust	520	—5	72	1.5	3.5
88⅝	55	Sentrust (10c)	55	—2	11c	1.2	11.7
140	115	S. W. Africa (20p)	125xd	—	75	Φ	12.0
147½	90	U. C. Invest (R1)	92	—	12c	1.2	7.6
223	125	Union Corp. (6.25c)	138xd	+5	12c	2.1	5.0
£12⅞	987½	Vereeniging (R2)	£10	—	55	1.1	6.4
62	40	Vogels (2½c)	40	—	8c	1.0	7.3

DIAMOND

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
£21¼	£14⅞	Anglo Am. Inv. 50c.	£15	—	145c	1.0	5.6
273	87	CAST	152	—	‡40	2.8	‡
258	175	DeBeers Df. (5c)	183	+3	14c	1.5	4.4
£14	£12½	Do. 40pc Pf. R5)	£13	—	40	48.0	9.0

PLATINUM

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
110	42	Lydenburg (12½c)	44	—1	6.6c	Φ	†8.8
212	81	Pot. Plat. (2½c)	81	—1	10c	Φ	7.2
160	60	Union Plat. (10c)	62	—1	9c	Φ	8.4
175½	60	Waterval (5c)	63	—2	10c	Φ	9.3

CENTRAL AFRICAN

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
97	53	Coronation (25c)	53	—1	—	—	—
42½	26	Falcon	37	—1	12½	Φ	8.4
95	60	Globe Phoenix 12½p	90	—	—	—	—
18	13	Rhod-Corp. 16⅔p	17½	—½	5	2.0	4.8
388	115	Roan Cons. (K4)	178	—	42.3p	Φ	23.8
230	154	Tanganyika (50p)	154	—1	25	Φ	8.3
88	45¼	Do. Pref. (80p)	85	—	9	Φ	8.5
123	96¼	Wankie Coll. ($R.1)	102xd	—2	19.6	Φ	11.2
260	148¾	Zam. Ang. $ BD1.40	198	—	s40p	1.1	20.2
46	33½	Zam. Cpr. $BDo.24	37xd	—	10p	1.1	27.0
96	75	Zambesia Cons. 50p	77	—	8.3	1.4	5.4

AUSTRALIANS

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
15	6	Acmex (25c)	8	—	—	—	—
9	3½	Acmin Expln (25c)	3½	—	—	—	—
18	6	Alliance Oil (50c)	10½	—	—	—	—
13	7	Alliance Pet. (50c)	8	—	—	—	—
18	6½	AllstateEx. (P/Pd)	7	—	—	—	—
9¾	3	Apollo (P/Pd)	3	—	—	—	—
13⅛	2	Aust. Wide (20c)	2	—	—	—	—
7½	¼	Do. Opts.	½	—	—	—	—
175	88	B. H. South (50c)	97	—3	7c	Φ	3.4
4	1⅛	E.Coast Mines (10c)	1½	—	—	—	—
37	8	Eastmet Mins (20c)	8	—	—	—	—
5⅝	2½	GoldC'pp'rEx (15c)	3½	—	—	—	—
35	7	Gold&Min.Ex. (10c)	7	—	—	—	—
28¼	14	Gold M. Kalg ($1)	14	—	—	—	—
150	47	Gt. Boulder (10c)	52	+1	—	—	—
2¾	1	Greenvale (20c)	1¼	—	—	—	—
150	98	Hampton Areas 5p	108	+2	30	Φ	14.3
42	20	Hampton Props 5p	34	—	—	—	—
10	7	Inter Copper p/pd.	7	—	—	—	—
7½	2	Kambalda M. (10c)	2	—	—	—	—
28	4	LavertonNk (P/Pd)	5	—	—	—	—
4¾	2	Leo'ra NKL P/Pd.	2	—	—	—	—
440	7	Leopold (50c)	7½	—	—	—	—
13	2½	Magnum Ex. (P/Pd)	5	—	—	—	—
65	6	Mallina Mg. (50c)	20	—	—	—	—
325	130	Metals Ex. (50c)	149	—1	—	—	—
96	20	Metramar (20c)	21	+1	—	—	—
27½	7	Mid East Min P/Pd	8½	—	—	—	—
8	3	Minefield Ex. (P'd)	4	—	—	—	—
66¼	16	Mining Finance $1	20	+1	—	—	—
205	118	M.I.M. Hlds. (50c)	129	—	8c	Φ	2.9
107½	45	M. Lyell (25c)	54	—	10c	Φ	9.0
690	330	New Broken Hill	330	—15	†60	—	‡
18⅛	4½	Newmetal (10c)	4½	—	—	—	—
101¼	61	North B. Hill ($1)	65	—2	7.5	1.1	5.4
78¾	17	North Kalg (50c)	21	—	—	—	—
50	16½	Nthn. Mng. (P/Pd)	17	—	—	—	—
21½	1	OlympusPet (P/Pd)	1½	—	—	—	—
140	47½	Pacific Cpr. (25c)	54	—2	—	—	—
73	21	Pancont'l 25c	40	—3	—	—	—
16¼	6	ParingaM. & Ex. 5p	6	—	—	—	—
527½	285	Poko-Wallsend (50c)	295	—1	15c	Φ	2.4
£22	500	Poseidon (20c)	620	+20	—	—	—
£14	860	Queensland (50c)	950	—	—	—	—
21	6	Scamander (25c)	7	—	—	—	—
20	2½	Secmin (10c)	3	—	—	—	—
20	2½	SedimentaryU (50c)	2½	—	—	—	—
6	1⅞	Target Pet. (P/Pd)	3	—	—	—	—
47	20	Vulcan Min. (50c)	30	—	—	—	—
68	7	Westmex (10c)	8½	—	—	—	—
247	106	W. Mining (50c)	110	+3	12	5.1	2.5
340	41⅞	Whim Creek (20c)	155	—5	—	—	—

TIN—EASTERN

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
81¼	70	Ayer Hitam	75	—	19	Φ	8.3
212	161¼	Berjuntai $M2.5	206	—	80.4	Φ	13.2
172	120	Gopeng Cons.	170	—2	72½	1.0	11.0
80	70	Hongkong	75	—	—	—	—
67	31⅞	Idris (10p)	35	—	31½	1.1	8.9
44	31	Kamunting 15p	39	—1	60	Φ	20.8
110	83	Killinghall	110	—	—	—	—
147	110	Malay Dredging	141	—	†45	1.1	8.0
67	47	Pahang	53	—1	18	Φ	8.8
58	29	Pengkalen (10p)	40	—	87½	U1.1	21.9
66	46⅝	Petaling (SM1)	64	—	5	—	1.2
89	62½	South Kinta (10p)	80	—1	93¾	0.9	11.7
91	63¾	Sthn. Malayan	91	—	60	1.0	13.7
60	52	Sungei Besi (20p)	49	—	—	—	—
18	11⅞	Sungei Way (SM1)	18	—	10	—	6.6
29	25	Tanjong (15p)	29	—	†37½	0.8	19.4
36	32	Tongkah Harb M$1	33	—	†12½	0.3	‡
67	45	Tronoh	54	—	15	U1.4	6.9

TIN—NIGERIAN

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
20	12½	Amalgamated	19	—	5	—	6.6
17½	5½	Ex Lands (10p)	7xd	+½	7½	2.5	10.7
6½	4½	Gold & Base (12½p)	6½	+½	—	—	—
6¼	5	Jantar (12½p)	6	—	—	—	—

TIN—MISCELLANEOUS

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
315	170	Beralt Tin	195	—	†84	2.0	‡
8⅞	4½	Fabulosa (US$1)	4½	—	—	—	—
340	135	Geevor	135	—5	60	1.6	11.1
128	101	London Tin (20p)	121	—	42½	1.1	7.0
69½	52	St. Piran	52	—1	20	1.4	9.6

COPPER

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
111	74	Esperanza (12½p)	81	—	40	1.9	6.2
14⅛	10	Indian (10p)	11	—	11.1	3.0	10.1
298	204	Messina (R0.50)	204	—	‡90	2.0	‡

MISCELLANEOUS

1971 High	1971 Low	Stock	Price	+ or —	Div.	Cover	Yield
17⅛	5	Burma Mines (17½p)	6½	—	—	—	—
28	17½	Cent. Prov Mn (12½p)	25	—	a12	Φ	10.2
31	11	Charterhall (5p)	11½	—½	—	—	—
£12¼	210	Cons. Murch (10c)	215	—5	180c	2.1	‡
£83½	£73¼	G. P. Mg. Ind. Db.	£83½	—	7½	38.0	a10.5
600	245	Northgate (C$1)	310	+40	60c	2.2	6.7
270	184	R.T.Z.	195	+6	24	1.8	5.1
280	57	Sabina Inds. (C$1)	55	—	—	—	—

For Notes, see Stock Exchange Dealings.

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THE LEX COLUMN

Index rose 2.7 to 407.4

The pay-off for Hawker Siddeley

For once we can attribute the week's performance in equities—a net fall of 7.2 in the index—to a clear source, namely Wall Street. What is helpful is that Wall Street's slide this week can in turn be confidently ascribed to one cause, the September net mutual fund redemption figure of \$166m. The significance of the size is that that rate of net redemptions would wipe out the mutual fund industry's cash position in 13 months.

Now the reason Wall Street matters to London is that the Dow Jones index is in critical territory, having broken its 1970-71 uptrend almost irrespective of how you plot the chart. Knowing the cause for the break, however, we can comfortably disregard the bearish implications it might otherwise have. Wall Street had the same reaction on publication of the first ever net redemption figures in June. What we know about both occasions is that the gross redemption figures are consistent with an interim stage in a market uptrend; that the gross sales figures are (in part) a function of the maturity of the industry; and that the low cash ratio is a result of the inexperience of the industry. The adverse effect on the DJI need not be seen as a pointer to anything.

Hawker Siddeley

Hawker Siddeley was expected to improve in 1971 after eight years of earnings going nowhere. However, it was not expected to get anywhere fast, so the interim forecast of net attributable 1971 profits of £12m. or so, against £8.1m. in 1970, took the shares up 35p to 260p against the 1971 "low" of 123p. But it has not been roses all the way, with uneven areas in aerospace and electrical engineering; of the three main sectors, the other being mechanical engineering, only the electrical side looked a good prospect for volume growth this year.

Hawker is highly geared—though less so than before with a "strong favourable movement" in liquidity this year. So it is possible that the projected trading profit improvement is closer to 20 per cent. than the near-50 boost at net level. However, this is coming from aerospace as well as the electrical side, while the standstill in the mechanical sector is not at all bad considering Hawker's commitment to diesels, and the depression at the light end there due to poor U.K. construction industry demand and a weak export market.

The suggestion must be that the impressive system of financial control noted by Hawker fans recently is paying off in a big way—that and the reorganisation of the group, both in terms of its traditional aerospace business and in the newer diversified areas. In aerospace now, the idea seems to be to avoid heavy financial commitments (including r and d) and produce a positive cash flow situation; as for the rest, what looked at one stage like a willy nilly acquisition programme has given Hawker a prime position in diesels and electric motors. That, and the rundown in the aerospace business from 82 per cent. of trading profits in 1961 to 26 per cent. in 1970, has a lesson in it for Vickers which basically kept its lossmakers and borrowed to buy profits. With Hawker, diversification and disinvestment is paying off to the tune of an earnings rise to 25p this year and a p/e of just over 10.

See also Page 17

Mettoy

In the context of a rather better trend visible in recent figures from Lesney, and to a greater extent Dunbee-Combex-Marx, the Mettoy performance is a let-down. Against near breakeven, excluding insurance compensation, for the first 36 weeks last year, the result for *the same period this time is a* loss of £369,000 before the £124,000 terminal cost of closing the Stanley Road factory. In the absence of a recovery in die-cast toys the drastic cuts in overheads will not come soon enough, it appears, to prevent a loss for the year. This must further tighten Mettoy's liquidity, in turn making it difficult to stock up ahead of any demand improvement, and *ruling out* much chance of taking significant advantage of the collapse of Lines. At 22p, back to the year's low, the shares need more tangible evidence that margins are responding to the projected £1m.-plus annual cost savings.

See also Page 18

Ever Ready

Ahead of the Ever Ready interim results the market was drawing a line through the 27 per cent. pre-tax profits gain recorded in the second half last year, so a 15 per cent. rise in March-August to £2.82m. understandably left the share price flagging: it dropped 9p to 206p. *Compared with a healthy* 18 per cent. sales rise in the period, profits certainly leave something to be desired. However, minorities carry the real burden, with a drop of over a third after tax, while the parent company net is up a comfortable 29 per cent.

The implication is that the U.K. has improved considerably, and there are a number of reason for this: the benefit of *six months* (against two) of the higher home market prices, a better performance at the new Tanfield Lea complex (where the second stage of the development is now being commissioned), lower losses in engineering, and the absence of the fire which hit the first *half* last time. On the other hand *one or more of the overseas* operations is back-tracking, though ER declines to apportion the blame between South Africa, Italy and Ceylon, which account for the major minority interests.

As for the near future, the question is how quickly Tanfield Lea can be brought up to its designed output and efficiency and whether lack of orders will send engineering losses climbing again. On earnings for the past 12 months of 10.8p a share the p/e is around 19, which looks high enough until ER is more forthcoming about its prospects, and the liquidity problems are out of the way.

See also Page 18

MAN OF THE WEEK

Allied's elder statesman

BY KENNETH GOODING

WHETHER OR not Allied Breweries eventually gets round to making a bid for Trust Houses Forte, this week's news that it might has at least had the effect of bringing into focus just how big a part Allied plays in British life and of drawing its chairman, Mr. Gerald ("Joe") Thorley, reluctnatly into the limelight.

After 35 years in the industry, mostly on the production side, Thorley, now 57, can claim to

be one of brewing's elder statesmen. But his name is scarcely *known outside*.

This is surprising if you consider Allied's size and influence. It takes in 8,000 pubs and 1,500 off-licences trading under banners like Ind Coope, Tetley, Ansells, Victoria Wine, and Tyler. Apart from best-selling beers like Double Diamond—the "I'm only here *for the beer*" *beer*—Skol International lager, and Long Life, on the wine side there is Harveys Bristol Cream, Cockburn's ports, VP British wines, as well as Babycham, the Coates, Gaymers and Whiteways ciders, and Britvic fruit juices, to name but a few from a long, long list.

For the more statistically minded, Allied ranks as Britain's 17th largest group with a market value of roughly £350m., sales in 1970 of £384m., pre-tax profits of £33.7m., and it employs nearly 46,000 people.

New structure

Thorley stepped in as chief executive just over a year ago when it was established he would stay for about five years.

Yesterday, appearing relaxed but almost chain smoking, he admitted that one of his most important tasks was to ensure management succession "a fair way down the line." Allied still has its share of young management lions jostling for pride of place, but Thorley maintains this does not mean they are constantly at each other's throats. It just means the directors are on their toes—and that, he reckons, must be good for the shareholders.

Things were very different when Thorley entered the industry at the age of 32. His father was managing director of *Ind Coope when it was a small* concern. But he did not encourage his son to join him.

Instead, Thorley became a chartered surveyor and spent six years in that profession before he was invited to go into brewing by the date John Joseph Calder, managing director of Samuel Allsopp, with which Ind Coope had just merged. He accepted the job at £250 a year (the current going rate of an Allied chairman is over £30,000 a year).

He has remained with the company ever since apart from the war years. As a captain in the Royal Artillery he spent three years as a prisoner of the Japanese—not a pleasant experience but one which he says gave him a deeper understanding of people.

Thorley says he does not get enough time away from his desk for, while not wanting to get involved too much in the "nuts and bolts" of the business, "if you don't see them regularly you forget what they look like."

He works long hours during the week to leave Saturdays and Sundays free to spend at his Norfolk home. He is married with a son and a daughter and enjoys looking after his garden playing golf and tennis (a game which he is still fit enough to enjoy and where his considerable height gives him an advantage).

To-day he hopes to forget about the Trust Houses situation for a while and will be sampling a lunch-time pint or two at his local (unfortunately, not one of Allied's pubs).

Greater flexibility in pub opening hours urged

BY JOHN HUNT

GREATER FLEXIBILITY in public house opening times with the possibility of longer opening hours at the discretion of the individual publican, are proposed in the Brewers' Society submission to the Erroll Committee which was set up by the Home Office to look into liquor licensing.

The society also recommends that children should be allowed in public houses with their parents and should be admitted to any part of the premises which the publican thinks fit.

14-hour period

It proposes that publicans be allowed to open at any time over a 14-hour period, from a statutory commencement hour of 10 a.m. to a statutory terminal hour of midnight. During that time they would have to remain open for a minimum period of six hours.

The individual licensee would decide when to open and close during the legal period and would also decide whether he wanted to open for longer than six hours.

There is no doubt that any move towards a big extension in opening hours would meet stiff opposition from the licensees. Last week the National Federation of Licensed Victuallers suggested to the Erroll Committee that pubs should open for a *maximum of* 9½ *hours* at any time between 10 a.m. and midnight.

The federation warned that longer hours would mean higher costs and could lead to the closure of some country pubs. Yesterday, an official of the federation said there would be no objection to the brewers' proposal so long as the question of hours was definitely left to the discretion of the publican.

Officials of the Brewers Society were anxious to stress that the main purpose of the proposals was to provide flexibility, not to lengthen hours.

Mr. J. G. Gaskell, chairman of the society, said, "We feel our recommendations are practical and make sense. As to the number of hours a pub would be open, this would depend entirely upon the economics of the particular house.

"Publicans would choose their hours in the light of what would suit their customers best. The public are not demanding longer hours. The criticism has been that the hours are too curtailed and definite."

He agreed that to stay open longer would lead to higher costs for staff, light and heating.

Mr. Basil Oliver, chairman of the society's sub-committee which drew up the submission, said, "I doubt if you will find many pubs opening at 10 a.m. I would think our proposals would be welcome to the licensee."

There should be no legal obligation on a landlord to open for the minimum period, or at all, on Christmas Day or Good Friday, says the submission.

On the question of children, it says that their presence would not be suitable in some public houses but there are others where they could be admitted with adults to specified areas or to the premises as a whole.

It suggests that the minimum age at which a person can serve behind a bar should be reduced from 18 to 16. Persons under 18 should also be allowed to buy liquor from an off-licence on behalf of another person.

Not in agreement

The society does not agree with suggestions for a new kind of licensed catering establishment which would admit children but where drink would be subsidiary to other refreshment. However, if these were set up they should be controlled by a new kind of justices' on-licence.

The submission urges the retention of the present system of *licensing justices and does not* think that their function should be taken over by local authorities.

The society represents 84 of the 97 brewing groups or companies in the U.K. and the members produce 98 per cent. of the beer output of the country. The recommendations apply to England and Wales. A separate commission is sitting for Scotland.

Joseph hint of higher pensions on Six entry

By Justin Long

THE GOVERNMENT yesterday hinted that retirement pensions and other social security benefits may be increased by the middle of 1973 when it is expected that the higher prices impact of Britain's prospective entry into the Common Market might begin to be felt.

This hint, given without committing the Government, was provided by Sir Keith Joseph, Secretary for Social Services, during the second day of the Commons debate on the Common Market.

Sir Keith *strengthened* the assurances already given that retirement pensioners and other beneficiaries, including those on supplementary benefits, would be protected from erosion of the value of their benefits. He pointed out that another biennial review would be due in 1973 at the time of initial impact of our entry.

From the Tory backbenches, the Minister was reminded that there was normally a time lag of some months between the decision to raise pensions and the payment of the increase.

Difficulty

Sir Keith acknowledged that there was a difficulty here, but added: "The Government is able, of course, *recognising the time* involved, to make the decision in order to make the payment at the time of its choice."

In general, British membership of the Common Market would make little practical difference to the structure of the National Health Service or the social security system. There would be no legal requirement upon Britain to change these systems in any way, the Minister told the House.

At the same time there were some issues of complex detail affecting the professions and involving such matters as pharmaceuticals, medicines and the marketing of drugs, which were the subject of Common Market directives.

In these fields, which Sir Keith characterised as a "twilight hinterland," there would be changes not yet predictable which Britain would be required to accept. He did not want to over-emphasise these matters, but some would be of substance.

Hospital workers reject 7% offer

BY MICHAEL HAND, LABOUR CORRESPONDENT

ANOTHER row over pay in the public sector blew up last night as the recent pattern of wage offers of around 7 per cent. was more firmly established in the opening round of negotiations for more than 220,000 hospital workers.

Their union leaders promply rejected it, as similar offers have been turned down recently by unions representing the miners, atomic energy workers and airport employees. They may all be faced with having to decide how far they will go in trying to force improved offers through industrial action. The miners have already decided to ban overtime and hold a strike ballot, and airport workers also threaten to ban overtime.

A choice

For the hospital workers Mr. Alan Fisher, general secretary of the National Union of Public Employees, said that if the management side refused to improve its offer in further negotiations next month there would be a choice of either arbitration or *some form of militant action*. It was, he said, "a complete dictation of Government policy."

Union leaders now expect a similar offer of around 7 per cent.—which Mr. Fisher claimed had now been established as the "going rate" for offers in the public sector—to be made next week to the 770,000 local authority manual workers. This was the subject of consultations on Thursday between the council employers, Mr. Peter Walker, Environment Secretary, and Mr. Graham Page, Local Government Minister.

Normally, negotiations for the hospital workers come after those for the council employees and end with a similar settlement. This year the unions believe a deliberate attempt is being made to reverse the order so that the traditionally less militant hospital staff become the pace-makers. If this is the case it is a ploy the unions are likely to resist.

They also felt it was of great significance that for the first time in negotiations directly influenced by the Government their demand for a cost-of-living "threshold" clause was rejected. This would have automatically givn them extra *pay increase in* step with increases in the retail price index. It is an idea increasingly being adopted by unions at the suggestion of the TUC, which has put it forward for consideration by the NEDC.

The management side also rejected a claim for a 10 per cent. addition to basic rates for the 88 per cent. of the staff not yet covered by incentive bonus schemes. They made it clear that improvements in holiday and service pay sought by *the unions could only be con*the unions could be conceded if only they wer offset against rates.

£2 claim

These were equivalent to about 7 per cent. for men and 8.33 per cent. for women. In cash terms the increases would range from £1.12 a week to £1.72 a week. The claim was for a £2 increase in basic rates of the 67,000 men and 155,000 women covered by the negotiations. They include domestic grades, kitchen and dining room staff, porters, stokers, storemen, laundry staff, drivers and gardeners, working in some 2,900 hospitals throughout Britain.

The management side of their *Whitley Council said last night* that the rate improvements were in addition to the first instalment of equal pay for the women workers, which would raise the £200m. wage bill by 2.2 per cent. They said if the unions' claim was conceded in full it would raise the wage bill by more than 20 per cent.

More new cars registered

MORE THAN 1m. new cars were registered in the U.K. between January and September.

In all, 1,004,644 were registered, compared with 893,946 in *the same period in 1970*.

A total of 1,347,690 vehicles were registered in the period—including used vehicles registered for the first time, compared with 1,223,260 the year before.

Rail unions to 'black' private repairs in redundancy battle

BY ALEX HENDRY, LABOUR REPORTER

RAIL UNION LEADERS yesterday announced they were going to "black" all repair work to private enterprise companies to try to stop more than 5,000 of their workshop members being made redundant.

They are also seeking an urgent meeting with Mr. Peter Walker, Secretary for the Environment, to try to get funds for British Rail so that it can go ahead with a wagon-building programme.

"Determined"

Mr. Sid Weighell, assistant general secretary of the National Union of Railwaymen, said yesterday: "We are quite determined that, because of a short-term problem, they are not going to carve our industry to pieces."

He said that in the first 26 weeks of this year 26,000 wagons were sent to private companies for repair. From January 3 they were going to instruct their members not to deliver any more wagons to these companies.

Mr. Weighell said they appreciated that this was moving the problem of lack of work from the railway workshops to private companies. But his union's job was to look after its members.

The decision could lead to some inter-union bickering because the Confederation of Shipbuilding and Engineering Unions has members in both the public and private sectors. The NUR plan will help CSEU members employed by British Rail but *take work from those in the private* sector.

Earlier this year the unions were told that British Rail Engineering wanted to close two workshops and make just over 2,000 workers redundant as soon as possible. A further 3,000 are to be made redundant by 1976-1977. These redundancies are in the main workshops which employ 30,000 men. More redundancies in the regional workshops employing 20,000 have still to be announced.

Mr. Weighell added: "We have been assured by British Rail that the Government is not making it difficult for them to get money and we understand that the Environment Ministry has funds available if BR wants to apply for them.

"Earlier this year we were told that the wagon-building programme involved 9,000 new wagons and improvements to another 54,000," he said. "When we asked about this recently, BR said it would have to let us know what was happening."

He said that in the last 10 years 250,000 jobs had disappeared from the railways. The union had co-operated fully on this and was now demanding full co-operation and discussion by the Railways Board on the redundancies.

The union wanted the Board to negotiate better "golden handshakes" so that workers would be encouraged to leave, but the union would not agree to compulsory redundancies.

Mr. Weighell discounted any Government "plot" to reduce the workshop staff employed by British Rail so that the work could be diverted to private enterprise companies. He said: "There is no private enterprise company that is big enough to handle the work."

He went on: "Earlier this year we were told that British Rail Engineering, the company that handles the workshops, was in a Rolls-Royce situation with a serious cash-flow problem. What I think they are trying to do is find a short-term solution with closures and redundancies which will damage the long-term prospects. That is what we are fighting against."

Chase's £1.52m. Watney stake

BY KENNETH GOODING

AN AMERICAN GROUP has been reported to be interested in some kind of deal with Watney Mann, the Red Barrel brewing concern, and this has been strengthened by the appearance as a substantial shareholder of Chase Nominees, the nominee company of the Chase Manhattan Bank of New York, which has built up a stake worth £1.52m.

Chase has registered as the holder of 1,090,000 Watney shares, representing around 1 per cent. of the issued capital, and last night worth 139½p each.

The U.S. bank has connections with a number of major tobacco and brewery companies, including Anheuser-Busch, the largest in the field with a market value of £890m.

But Mr. R. A. Meyer, AB's executive vice-president, said last night: "We are not interested in Watney at this point of time. We have had no deliberations about the company one way or the other and are certainly not involved with this shareholding."

And it is only a week or so ago that one of AB's major competitors, Schlitz (market value £370m.) denied it was taking a look at Watney.

The American interest came to light as a result of an exercise by stockbrokers Hichens Harrison, who keep a constant watch on the brewing industry.

Their investigations show a substantial build-up of Watney shares in six nominee accounts since the middle of August, when the brewers were in the middle of the bid battle for Truman Hanbury Buxton and there was such a flurry of buying of the bidder's shares that the Takeover Panel ordered a probe.

The six accounts have one common factor—they are all relatively new active nominee accounts, while four of them are apparently connected, as they are all nominees of the National Westminster Bank.

"Assuming all the accounts relate to the same holder, and bearing in mind the buying has continued, the holder could now have around 10 per cent. of Watney," the brokers maintain. The NatWest accounts alone control 5.6 per cent.

"It seems unlikely that any organisation would invest £10m. to £12m. in Watney without wanting to influence management decisions," they add.

Watney's chairman, Mr. Michael Webster, stated, however, that it was "a big assumption that all the shares are in one pair of hands." Both Watney's brokers, Cazenove and Co., and its merchant bankers, Guinness Mahon, had been looking into the share activity and "there was no evidence of a predator," he maintained.

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Britten-Norman

ment of a substantial part of the loan capital provided by ERC, negotiations had been taking place for the sale abroad of the complete Trislander project. It had not been possible to advance these negotiations sufficiently quickly to meet the time scale required.

The ERC would not comment last night on the loan recall.

Mr. Britten and Mr. Norman said that these negotiations had been with a consortium in Israel, which had been interested in taking over the Trislander programme "lock, stock and barrel." Whether this sale could still be achieved was now a matter for the receiver.

But if this deal could be consummated, it would produce £1m. *in cash immediately, and another* £½m. eventually, together with levies on sales.

Efforts had been made in other directions to refinance Britten-Norman and the Government had been approached through the Department of Trade and Industry, but it had declined to help. The £250,000 still owing to the Government comes from a secured loan *of £550,000 made in* 1967 to help finance Islander production.

In the early stages of the project, in 1966, the Government had also granted launching aid of £190,000, of which some £120,000 is still owed to the Government in levies on sales.

Both Mr. Britten and Mr. Norman yesterday expressed the hope that the company and the Islander itself could still be saved and it was hoped that the receiver would still be able to negotiate the sale of the Trislander production programme to Israel.

But there appeared to be little immediate prospect of any rescue operation from other parts of the aircraft industry.

The British Aircraft Corporation is understood to feel that it cannot help and is more concerned with the impact of the collapse on Romania. The Islander deal with Romania was part of a complex arrangement *made some time ago* when Tarom, the Romanian airline, bought BAC One-Eleven airliners.

Reactions from Romania to the Britten-Norman situation are not yet known, but BAC is known to be worried, in that it could jeopardise further sales of One-Elevens to that country.

Hawker Siddeley Group is expected to study the situation, *but it is far too early yet for* anyone to be able to say whether it would be either prepared, or able, to mount any form of rescue operation.

So far as the British Hovercraft Corporation at Cowes is concerned, the Islander sub-contract work is a significant part of its overall activities, but it is thought that the labour involved could be *redeployed elsewhere* in that company, if this should become necessary.

The Westland Group, which owns British Hovercraft Corporation, does not expect that its own accounts will be affected in any way.

The hope was being widely expressed in the aerospace industry yesterday that the receiver *would be able to keep* Britten-Norman going in some way. The feeling was that after the Beagle, Handley Page and Rolls-Royce collapses, the industry's overall image would be further seriously damaged by the Britten-Norman collapse.